

The NATIONAL UNDERWRITER

Life Insurance Edition

A BILLION DOLLAR COMPANY

One Billion Dollars of Life Insurance and Annuities in force was reached by The Great-West Life on July 16, 1946. In August, the largest amount of Placed Business in any one month in our history was recorded.

This growth is evidence of the continued confidence placed in the Company by the insurance-buying public of North America. It is a tribute to an aggressive field force, to sound management, and to the virile leadership the Company has enjoyed throughout its history.

THE
GREAT-WEST LIFE
ASSURANCE COMPANY

ONE BILLION DOLLARS OF SECURITY

FOR 300,000 POLICYOWNERS

FRIDAY, SEPTEMBER 20, 1946

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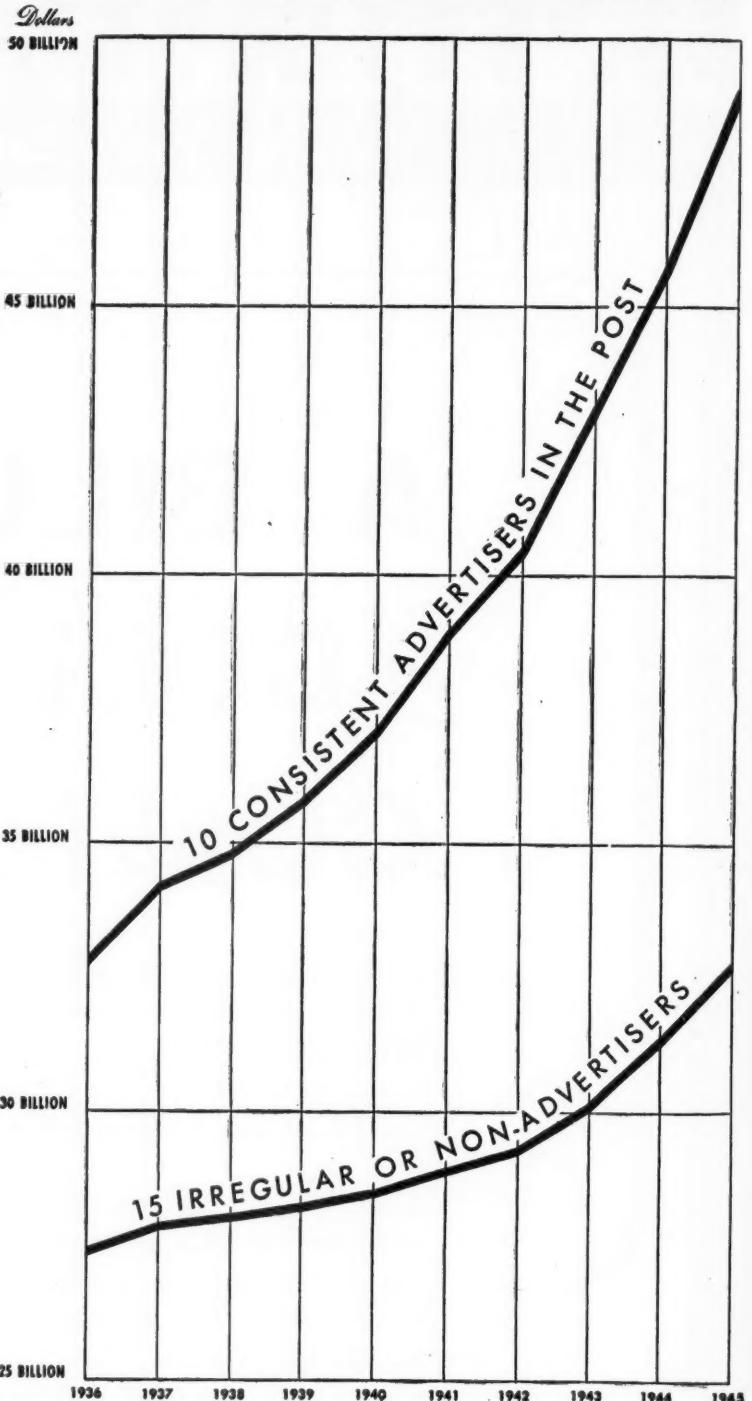
Take a look at the chart on this page. It indicates the growth of the 25 top life insurance companies over the past 10 years. The upper curve on the chart shows the growth of the 10 companies that were consistent advertisers in the Post. We believe it indicates the effectiveness of consistent Post advertising.

► **Advertisements in the Post reach the best prospects—the people whose education and income are well above average.**

► **Advertisements in the Post get attention. People like to read ads in the Post—far more than in any other magazine.**

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GRAPH SHOWS THE GROWTH OF ORDINARY LIFE INSURANCE IN FORCE (IN BILLIONS OF DOLLARS) WITH LEADING LIFE INSURANCE COMPANIES DURING 1936 AND THROUGH 1945



For ten years, the growth of ordinary life insurance in force among the ten regular Post insurance advertisers has been 302% greater than that of the fifteen inconsistent or non-advertisers.

THE SATURDAY EVENING
POST

Many Important Proposals Brought Up at Cleveland

More Agents as N.A.L.U. Officers Now One of Big Issues

The Cleveland convention of the National Assn. of Life Underwriters was characterized by the large number of important proposals submitted, although few of them were acted upon finally at this time; an unusually large attendance, with a new record for the election session of the national council, and a heightened interest in association affairs, especially in methods of increasing membership, already at a record mark.

The most important of the matters on which final action was taken was the N. S. L. I. resolution. Association leaders feel that if the companies take the action suggested it will help materially in cutting down twisting of government insurance by what was characterized by one speaker as a "lunatic fringe" and keep that small minority of agents from casting discredit on the business as a whole.

Attitude On Qualification Law

The statement of guiding principles of agency management, aimed principally at the elimination of the part-time and agents writing controlled business, does not go much farther than similar statements of its position in that respect made by the National association in the past but the proposal for an agents' qualification law embodying the same ideas as a means of implementing the statement of principles certainly is an innovation. One of dailies issued by THE NATIONAL UNDERWRITER in connection with an N. A. L. U. annual meeting only a few years ago contained an article headlined: "Life Agents Don't Want Qualification Law." Even now it is admitted that action by the companies would be preferable but apparently it is considered that is not likely to be obtained and it was stated that the situation must be faced realistically.

Final Action at Mid-Year

The statement of principles was approved in principle by the trustees but is to be debated by state and local associations and a revised version presented for definite action at the mid-year meeting. The qualification law is in merely tentative form so far and probably will be changed materially before it is presented to any of the legislators. It is the work of Col. Edward J. Schmuck, new attorney at N. A. L. U. headquarters, who made a very favorable impression at the convention and is regarded as an important and valuable addition to the headquarters staff.

Want More Agents in Office

The issue of greater representation of producing agents on the N. A. L. U. official roster was a live one throughout the session. The Chicago resolution along that line got "in principle" approval from the trustees and there seems to be a very widespread sentiment that something ought to be done about it but no one seems to be sure as to what it should be.

The proposal to pay trustees' expenses while on official business, which is to be submitted to a poll of the member-

Potent Industry Delegation Visits New Secretary of Treasury

Liaison Committee, Headed by Harrison, Makes Fiscal Plea for Policyholders

WASHINGTON—Forms of government bonds and interest rates on government borrowings are understood to have been leading topics at Monday's conference of Secretary of the Treasury Snyder with the joint committee on monetary affairs (the so-called liaison committee) of American Life Convention and Life Insurance Assn. of America.

Mr. Snyder had said the committee was coming to "talk about things they had on their mind" and that he wanted to "get the full picture of the problems" of the insurance group, as well as of other groups. He also stated the Treasury is "giving careful consideration to the proposed issue of small denomination bonds eligible as security for loans," and that he discussed with the banks' representatives the "possibility of a long-term issue for the insurance companies."

Led by George Harrison

The insurance committee was led by George L. Harrison, president of New York Life. Treasury conferees included assistant secretaries, fiscal experts and advisors to the Secretary on matters of financing.

ship, may be the first step in that direction. The nominating committee did submit the names of three agents for trustees but no campaigns had been made for two of them and they were not very generally known, so had little chance of election.

Sales Seminar Big Hit

The so-called street agents were given good representation, however, on the Cleveland program. The feature of greatest interest to all classes of attendants at the convention, judging by the attendance and the comment on that session, was the sales seminar Wednesday afternoon, conducted solely by personal producers. They also had good representation at the general sessions. There were no company officials on the program this year and of the three men from outside the insurance business, Gen. Omar N. Bradley, Veterans Administrator, spoke mainly on a strictly insurance subject, National Service Life Insurance.

At the fellowship luncheon which closed the week-long gathering William H. Andrews, Jr., Jefferson Standard Life, Greensboro, N. C., immediate past president, presided. Newly-elected officers were presented, as were the new trustees and past national presidents. The Cleveland association officers and the convention general committee chairmen also were introduced. James E. Rutherford, executive vice-president N.A.L.U. spoke briefly and introduced Dr. S. S. Huebner, president American College. Tribute was paid to J. Stanley Edwards, past national president and only national officer from 1921, the last Cleveland gathering of N.A.L.U. The main feature closing the fellowship hour was a half-humorous, half-serious address by Cornelius J. McCole, Mutual Life, Wilkes-Barre, Pa.

The N.A.L.U. has become so large that the holding of its annual convention in such a way as to please and satisfy most of its members has become an important problem. Going back 20 or 25 years, the association held its

Besides Mr. Harrison, the committee included: Claris Adams, president Ohio State Life; Edwin W. Craig, president National Life & Accident; Franklin D'Olier, Prudential; Frederick W. Ecker, vice-president Metropolitan Life; W. T. Grant, chairman B.M.A.; Walter W. Head, president General American Life; Frederick W. Hubbell, president Equitable Life of Iowa; George W. Smith, president New England Mutual Life; Laurence F. Lee, president Occidental Life, Raleigh, and Peninsular Life, and F. B. Wilde, president Connecticut General.

Committeemen pointed out that the Treasury policy will set the pattern of interest rates for post-war years, as it did during the war. The life companies feel this form of government competition and fear more of it, in the shape of low interest rates. The importance of this problem to life companies can hardly be exaggerated, it has been pointed out, and to their policyholders.

Life company holdings of government securities are roughly about 50% of their total assets, it is stated, and the companies hold about 10% of the national debt. Their portfolios have been "torn asunder," as a result of corpora-

tion bond refunding operations at low reduced interest rates. The margin of company investment earnings over requirements to meet guaranteed interest rates on policies has decreased from 36.9% in 1930 to 7% in 1944.

In connection with Secretary Snyder's suggestion of a possible long-term issue for insurance companies, it is pointed out that in 1945 the life companies held 40% of the long 2½% government war bonds.

Since Pearl Harbor the life companies have bought more government bonds than is represented by their entire increase in assets.

Snyder Tells of Conference

Secretary Snyder said at a press conference Wednesday regarding his conferences with various investment groups, including the life insurance industry liaison committee, that they were here to discuss their problems, and for the treasury to get their feeling about things and for them to see how the Treasury feels about such things.

Asked about possible new issues of government bonds, the Secretary said the Treasury is "not thinking about or contemplating new issues at the present time."

There has been recent discussion about a possible long-term issue at 2½% for insurance companies.

Kavanaugh Gives Answer to Whitney

DENVER—Commissioner Kavanaugh of Colorado makes public a letter that he has written to A. F. Whitney, president of Brotherhood of Railroad Trainmen, Cleveland, in furtherance of his effort to save members of B.R.T. from losing their insurance benefits when expelled from the union for refusing to take part in the railroad strike last spring. B.R.T. is not licensed in Colorado, but Mr. Kavanaugh, in the interest of citizens of his state who are affected, sought to get Superintendent Dresel of Ohio to take the matter up with Mr. Whitney. Mr. Kavanaugh charged that members of Railroad Yardmasters of America who did not take part in the railroad strike, are being ousted from B.R.T.

Intermediary Calls

Mr. Whitney, the other day, charged that Mr. Kavanaugh was "wholly inaccurate" in his statement; declared that he did not know of members of the yardmasters' group being expelled, but if that were done, it would be at the hands of subordinate lodges and the aggrieved member would have a right of appeal. In his letter to Mr. Whitney, the Colorado commissioner said that William Morrissey, friend of both Mr. Kavanaugh and Mr. Whitney, called on the former "regarding my stand with

annual meeting almost entirely for the purpose of presenting speakers of importance in the business. A few hundred members made the trip to the city where the convention was being held and listened to the outstanding producers tell of their methods and ideas. Actually the National association at its annual meetings offered no more 20 or 25 years ago than a state association does today.

But with a membership approaching the 50,000 mark, the annual meeting

reference to expulsion of numerous members of your order with subsequent loss of their insurance."

"From Mr. Morrissey's statement," Mr. Kavanaugh declared, "you seem to think I am persecuting the Brotherhood of Railroad Trainmen. In what way?"

"I have no interest in this matter except insofar as it affects policyholders and the loss of their insurance. As insurance commissioner I proved to you that your order expelled various members of the Yardmasters of America—a dozen in Denver alone. This, because these men refused to strike as they had a contract with the railroad forbidding strikes. These expulsions are nationwide, my own records showing cases from Oregon to Virginia."

Union Trial Procedure

"Your letter to me denied none of these charges, but explained fully union trial procedure. Doubtless your trial forms were scrupulously followed, but always with the same result, 'off with his head!'

"Your rule 14, provides: 'Membership in this department (insurance) shall continue only during the time the members remain in good standing in the Brotherhood of Railroad Trainmen.' In other words, expelled members are no longer members and they have no insurance."

"Many, if not the majority of these expelled members, have reached ages where they cannot obtain other insurance. Some have paid substantial premiums for 40 years. To throw them out now in their old age appears to me to be abhorrent from any humanitarian or legal standpoint. Where is the spirit of fraternity in such strange procedures?"

"And why are you constantly being quoted as saying these men are not losing their insurance? The facts are otherwise."

"I should be recreant to my oath of office did I not make every effort to help these unfortunate, and I think—persecuted men."

"Meanwhile, you might read 1 Cor. XIII, where St. Paul says a few words which are strangely pertinent."

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Chamber Insurance Group Eyes Foreign Questions

Latin American Coverage Matters and Another Hemispheric Rally Eyed

WASHINGTON—The U. S. Chamber of Commerce insurance department committee meeting here last week was marked by reports from John A. Diemand, North America, on the Hemispheric Insurance Conference and on American insurance abroad, with particular reference to the situation in South American countries and automobile insurance for tourists in Mexico, Central America and Cuba.

H. E. Hilton, assistant manager of the insurance department, presented a report on the National Fire Waste Council and the Inter-Chamber Fire Waste Contest, and Howard Strong, secretary of the chamber's health advisory council, reported on health matters.

W. E. McKell, American Surety, committee chairman, presided. A. L. Kirkpatrick, manager of the department, submitted a report on the activities of his department.

Consider Compulsory Health Plans

No action was taken by the insurance committee, it was stated, other than to approve reports. The appointment of United States delegates and alternates to the permanent international committee authorized by the Hemispheric Conference was postponed. But few of the Latin American delegates on the committee are named. Problems of compulsory health insurance were considered and discussed on the basis of a report by Rollin M. Clark, Continental Casualty-Continental Assurance, chairman of the health and accident section of the committee. There was a feeling that the committee lacked information upon which to establish a policy. However, the chamber has gone on record as opposing compulsory national health and prepaid medical care insurance.

Chester O. Fischer, Massachusetts Mutual Life, reported on proposals for holding conferences in a number of cities to discuss employee benefit plans.

The all-industry legislative program was discussed, Mr. Kirkpatrick having recently attended the meeting of the all-industry committee at Syracuse.

Scheduled for committee consideration at a meeting Nov. 6 are three principal matters: (1) the next meeting of the hemispheric conference and of the international committee; (2) a long range program for working through the State Department toward the elimination and reduction of barriers to international insurance operations; (3) Mexican and Cuban auto coverage.

Border Agents Active

Pending the next hemispheric conference and international committee meeting, Mr. Kirkpatrick is making a survey of Latin-American insurance laws, regulations, rates, etc. He has been getting material direct from Latin-American countries' embassies in Washington, from American embassies in the southern countries, from foreign companies and associations and insurance departments in Latin-American countries, and from the State and Commerce departments.

Present plans call tentatively for a meeting of the hemispheric international insurance committee next April, but the time and place have not been decided

SALES TORRENT

August Another Smash Month, Gain Is 73%

NEW YORK—August life insurance sales as reported by L.I.A.M.A. registered another smashing increase, 73% over August, 1945, and nearly twice the pre-war August, 1941, figure.

The total for August was \$1,796,758,000 as against \$1,035,767,000 for August, 1945. Ordinary business totaled \$1,272,736,000, increase 72%. Industrial was \$323,504,000, increase 44%. Group was \$200,518,000, increase 182%.

For the first eight months the total was \$14,224,480,000, increase 53%. Ordinary was \$10,375,962,000, increase 62%. Industrial was \$2,643,469,000, increase 27%, group was \$1,205,049,000, increase 50%.

Give Program of N. Y. Bar Insurance Section

Outstanding experts in the field of insurance and negligence have accepted invitations to speak on the program of the New York State Bar Assn. Oct. 12 at Syracuse under sponsorship of the insurance law and young lawyers sections of the association.

The morning session will open with welcoming speeches by Lewis C. Ryan, president of the state association, and Robert E. Dineen, superintendent of insurance.

George S. Van Schaick, vice-president of New York Life and former insurance superintendent, will speak on "Accident and Accidental Means."

Halt John Hancock Building to Give Veterans Preference

BOSTON—Construction of the \$12½ million office building of John Hancock Mutual Life will be suspended on completion of the foundation, now near at hand, until such time as it will not compete with veterans' housing for labor and materials, President Paul F. Clark told a delegation of leaders of veterans organizations.

Veterans' representatives also advanced objections to the company's \$10 million Pioneer Village housing project, on the grounds that the rents would be too high for the average veteran. President Clark replied that if the project is not going to benefit veterans the company would stop building it.

He said the company could not build the Village any cheaper than it is and if the veterans could find someone who could build cheaper that party would be engaged to build the next project. He declared John Hancock is prepared to invest \$100 million in housing projects.

Fischer Heads Nominators

WASHINGTON—Chester O. Fischer, Massachusetts Mutual, Springfield, Mass., has been named chairman of the U. S. Chamber of Commerce nominating committee, to suggest officers to be elected by the chamber at the 1947 annual meeting, and to make nominations to fill vacancies on the board.

Among ten men on the nominating committee, three are insurance executives. Besides Mr. Fischer they are Laurence F. Lee, Peninsular Life, Jacksonville, Fla., and Carl N. Jacobs, Hardware Mutual Casualty, Stevens Point, Wis.

upon, pending consultation with foreign members of the committee. Bogota, Colombia, has been suggested as a possibility.

Mr. Diemand submitted his report to the chamber's insurance committee and there was made public a report by Chairman McKell on the hemispheric conference.

Debate Group Annuities and Trust Fund Plan

NEW YORK—Several sessions of interest to insurance people were held at the annual meeting of Controllers Institute of America here. Thomas I. Parkinson, president of Equitable Society, spoke on "Everything Is Under Control!" at the annual banquet. A sub-title might have been "Or is it?"

A debate, "Trusteering vs. Insuring" took place Monday afternoon, Charles B. Lunsford, comptroller of Equitable Society, presiding. E. B. Gardner, second vice-president Chase National Bank, propounded the case for trustee pension plans. John M. Hines, associate director of group annuities for Equitable, countered with the case for insuring.

Mr. Gardner, in advocating trust funds rather than group annuities, stressed flexibility in the handling of trust funds. Since there is no catastrophe hazard, he reasoned, but an amortization of the cost of events bound to happen, trust funds can invest in long-term securities. The cost of administration, moreover, is less for trust funds than for group annuities, partly due to the fact that the insurance element is absent.

Mr. Hines, analyzing the factor of flexibility, said that if a trust fund chooses provisions that an insurance company doesn't like to underwrite, they will be actuarially unsound. The provisions embodied in insurance annuity plans have been chosen by long experience. Other advantages of insurance he suggested were the yearly fixed price and the guarantee of annuities.

Insurance plans are completely solvent actuarially from year to year, and they have been worked down to the simplest possible cost accounting method. Annuities actually purchased are fully guaranteed. Under the trustee plan there is no responsibility for rate of interest or mortality.

As to choosing investments, money placed with a bank forms a new fund requiring a new investment program. Insurance funds become part of an old and well-seasoned portfolio, in which rates of earning are higher than could be achieved through a trust fund. A difference in interest of .5% amounts to a 15% difference when the employee comes to collect upon retirement.

Profit-sharing Plans

Richard Jackson, attorney of Chadbourn, Hunt, Jackal & Brown, New York, gave a talk on the relative advantages of a profit-sharing plan against a pension plan.

From the viewpoint of the employer, a profit-sharing plan has much in its favor, he said. Management, no matter how generous, does not welcome the burden of fixed annual charges which a pension plan carries, while profit-sharing plans require employer contributions only when the company presumably can afford them.

Again, there are many who feel strongly that fixed employee annuities or pensions dull the initiative of the employees. In a profit-sharing plan the employee knows that if there are no profits there will be no retirement benefits.

Finally, there is a risk under pension plans that in loss years the employer may lose the benefit of a tax deduction for his contribution, although if he can arrange to postpone payment of his contribution, or can carry over a loss to a profit year, this risk may be minimized or removed.

Employee's Attitude Described

From the employee's point of view, a pension plan is usually said to be more desirable, since he can compute in advance his benefits upon retirement and feel assured of getting them, subject only to abandonment of the plan by the employer. It is for this reason, undoubtedly, that labor unions have al-

most universally preferred pension plans to profit-sharing.

However, no company is going to continue a pension plan if, over a period of years, it has poor profits or, indeed, losses. So there is a real relation between profits and a pension plan. Furthermore, as a company prospers, it is possible that the benefits of a profit-sharing plan may prove to be more generous than the fixed benefits of a pension plan would have been. Consequently, it might be questioned whether in the long run the employees as a whole fare better under a pension plan than they do under a profit-sharing plan.

The operation of Treasury rules has produced a marked trend in the use of profit-sharing plans. Since such plans can provide only inadequate retirement benefits—at least in the early years of operation—they are currently used to supplement pension plans. This combination of plans is advantageous to the employer because he may establish a relatively modest pension plan and then limit his fixed commitment, while the employee has an opportunity of receiving increased retirement benefits under the profit-sharing plan.

Investment Policy

It has been sometimes thought that the investment policy of a profit-sharing plan may be less conservative than that of a pension plan. This may well be doubted. The profit-sharing fund belongs to the employee. If there is loss through unfortunate investment, this loss is borne by the employee only. The employer cannot make it good to the trust. If this loss is substantial, the employer stands to lose overnight much of the good will of his employees which has been built up over many years.

On the other hand, in a pension plan the employer is required to keep the fund actuarially sound. Thus, for the duration of the plan the employer, so to say, underwrites the trust investment and can—indeed, must—make good any losses.

Many employers are showing keen interest in profit-sharing plans, since these plans do not involve fixed annual charges. Congress has granted substantial tax incentives for the adoption of such plans.

Address of Parkinson

Recommending a demobilization of the present governmental setup and a return to the states of the control of local affairs, President T. I. Parkinson of Equitable Society, told those attending the convention banquet that the \$170 billion still available to the people of this country is the chief reason for mounting prices and the resulting demand for higher wages.

This money supply, he said, is the principal means of sustaining the low interest rate on government and other borrowings, which is so often referred to by responsible government officials as a source of saving to the citizen. Actually this does not represent a saving. Mr. Parkinson added, "since what is saved in interest payments because the low interest rates is lost in price which everybody pays for practically everything because of the vast excess of money which supports the low interest rate."

Need Financial Demobilization

A special need for demobilization in the financial and monetary field was cited by Mr. Parkinson as he pointed out that the nation's total expenditure for the fiscal year 1946-47, amounting to \$41 billion, included \$23 billion for non-defense purposes. That sum, he added, was as much as was expended by the federal government during the three years 1943-45.

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A.L.C. Offers Solid Fare for Five Days at Chicago

The opening address at the first general session of the meeting of American Life Convention will be the presidential message of Claris Adams. He will speak on the morning of Oct. 9. Mr. Adams is president of Ohio State Life. The week of activities will begin with the meeting of the Legal Section the morning of Oct. 7, which will continue through Tuesday morning. The Financial Section will open with a luncheon on Oct. 7, and continue through Tuesday afternoon. The Industrial Section will hold its annual meeting the afternoon of Oct. 8 and the Agency Section will meet the morning of Oct. 10.

Following Mr. Adams on the platform at the first general session will be Robert L. Hogg, manager and general counsel, who will render his annual report. An address by Thomas I. Parkinson, president of Equitable Society, will complete the morning's program. His topic is, "The Responsibilities of Life Insurance Management."

That afternoon, Superintendent Dineen of New York who is president of the National Assn. of Insurance Commissioners, and Dr. Eugene M. Landis, professor of physiology Harvard University, will address the members. Mr. Dineen will have as his subject, "The Guertin Bills Reappraised"; and Dr. Landis will speak on, "The Premiums and Dividends of Medical Research." There will be executive sessions in the afternoon and evening. Election of officers and consideration of the proposed new constitution will be on the evening agenda.

Asa Call Not to Appear

Asa V. Call, president of Pacific Mutual Life, who had been scheduled to address the afternoon session Oct. 9, will be unable to do so.

Willis Smith, president American Bar Assn., will discuss the Nuremberg trial, which he visited earlier in the year, at a luncheon Oct. 10. Speakers scheduled for the general session that afternoon are Raymond M. Foley, commissioner of federal housing administration; Gilbert E. Jackson, Canadian economist; and Richard Boissard, president National Guardian Life. Mr. Jackson will discuss "The Coming Centenary of Communism," and Mr. Boissard "Some Fallacies in Averages."

The closing general session the morning of Oct. 11 will be addressed by Morton Boyd, president Commonwealth Life; Dr. Sumner Slichter, Harvard University professor; and John M. Hancock, partner Lehman Bros., New York. Mr. Boyd will speak on, "The Impact of Economic and Social Pressures Upon the Agency Operation," and Dr. Slichter on, "The Economic Outlook."

Following a long established custom, Colonel Isaac Miller Hamilton, chairman of Federal Life and senior A. L. C. past president, will move adjournment.

Program for Legal Section

Berkeley Cox, associate counsel of Aetna Life and chairman of the Legal Section, will preside at the sessions of that body and deliver the opening address. Alan L. Austin, counsel Midland National Life, will speak at the opening session on, "A Reappraisal of the Frazier-Lemke Act and Its Operation."

Dave E. Satterfield, Jr., executive director and general counsel Life Insurance Assn. of America, will address a luncheon that noon.

Speakers at the afternoon session will be Phineas M. Henry, vice-president and general counsel Equitable Life of Iowa, who will discuss "The Trial of Suicide Cases"; R. J. Wetterlund, vice-president and general counsel Washington National, "Trends in Compulsory Health Insurance"; and William H. Peter, attorney Gulf Life, "State Insur-

ance Statutes Having Extra-Territorial Effect."

The morning session Oct. 8 will be addressed by John A. Tuck, assistant general counsel Canadian Life Insurance Officers Assn.; and Ralph H. Kastner, associate general counsel, A. L. C. Mr. Tuck will discuss, "Regulation of Insurance In Canada," and Mr. Kastner will review life insurance legislation and court decisions. A business session will follow.

Financial Section Activities

The annual meeting of the Financial Section will get under way with a luncheon Oct. 7, at which Dr. Charles F. Lewis, director Buhl Foundation, Pittsburgh, will speak. He is a widely known housing expert, and will discuss Chatham Village of Pittsburgh.

Following the remarks of Paul E. Fisher, chairman of the section, who is treasurer Indianapolis Life, there will be a housing forum participated in by O. J. Lacy, president California-Western States Life; Van Ness Bates, manager bureau of housing, John Hancock Mutual; and Robert H. Reid, managing director London Life. Mr. Lacy will discuss the "Lakewood City Housing Project," of his company; Mr. Bates will have as his title, "A Garden Village Housing Development," and Mr. Reid will describe "Housing Enterprise of Canada, Inc."

The next morning, Donald B. Woodward, second vice-president of Mutual Life, will speak on the "Growth of Investment Funds." James H. Clark, partner Duff, Anderson & Clark, Chicago, will discuss "The Analysis of Industrial Preferred Stocks."

At the luncheon, the members will hear Murray Shields, vice-president and

economist Bank of the Manhattan Co., whose subject is, "Inflation, Interest Rates and Investment Policy."

The afternoon session will be addressed by B. Hollon Smith, assistant treasurer Bankers National Life, on "Analysis of Common Stocks"; and Dr. Ernest M. Fisher, professor of urban land economics Columbia University, on "The Role of Credit in the Real Estate Market." A brief business session will follow.

Leal Heads Industrial Section

The Industrial Section will meet the afternoon of Oct. 8 and will be opened with the remarks of J. R. Leal, vice-president and secretary Interstate Life & Accident, who is chairman of the section. James F. Finlay, general counsel Interstate L. & A., will address the meeting on "Social Security and Industrial Insurance." Following a speaker to be announced, there will be a round table on industrial insurance. A business session will close the meeting.

The theme of the Agency Section meeting, as arranged by Chairman Ray E. Fuller, agency vice-president of Equitable Life of Iowa, is "New Frontiers In Life Insurance Management and Distribution." The meeting is to be held the morning of Oct. 10. Dudley Dowell, vice-president in charge of agencies New York Life, will discuss "Life Insurance Selling and Our New Economic Frontiers." Eldon B. Stevenson, Jr., executive vice-president National Life & Accident, has for his topic, "Is There a New Mode In Management." J. A. McCamus, general superintendent of agencies North American Life, Canada, will speak on "Human Relationships with the Field Force." Final speaker will be James A. Fulton, president of Home Life of New York, on "Looking Ahead to Tomorrow's Agency Force."

There will be important action taken which involves a new setup. The organization has been operating under both

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Move to Set Up Intermediate Training Program

L.I.A.M.A. at a meeting of its directors adopted a training and education recommendation made by a conference group of representatives of National Assn. of Life Underwriters, American Life Convention, Life Insurance Association of America and L.I.A.M.A.

At a meeting several weeks ago, these representatives recommended that a joint committee be appointed to organize, finance and direct a plan of training and education in the intermediate field.

Attending the meeting out of which grew the joint committee idea were: N.A.L.U., Clifford H. Orr, now secretary, and James E. Rutherford, executive vice-president; A.L.C., James A. McLain, president Guardian Life; L.I.A., Paul F. Clark, president John Hancock, who acted as chairman; L.I.A.M.A., Vincent B. Coffin, vice-president Connecticut Mutual; H. G. Kenagy, vice-president, Mutual Benefit, and Charles J. Zimmerman, director of institutional relations L.I.A.M.A.

Members of Committee

To the joint committee of eight President Wendell F. Hanselman of L.I.A.M.A. appointed Mr. Coffin; Benjamin N. Woodson, executive vice-president Commonwealth Life, and J. Roger Hull, vice-president of Mutual Life.

Three members will represent N.A.L.U. while there will be one each from A.L.C. and L.I.A.

In another action, the L.I.A.M.A. directors set up a staff committee on education and training, composed of John Marshall Holcombe, Jr., managing director; Mr. Zimmerman; and Lewis W. S. Chapman, director of service and company relations.

The committee was directed to report to the board at the next meeting on the advisability of future expansion of training and education activities by the association headquarters.

Conn. Mutual. in 8 Months, Beats '29 12 Months Total

During August, Connecticut Mutual passed its best previous full year in new business. As of the end of August new business amounted to \$142,402,111, beating the record year of 1929 by \$12,399,749. The second highest previous mark was reached in 1945 when new business amounted to \$127,916,014.

Sixty-nine agencies are ahead of last year for the eight month period.

The gain in insurance in force has far surpassed all previous records. The eight-months figure is \$111,359,633 and in the best previous year, 1945, it was \$85,988,299. Total insurance in force stands at \$1,492,207,197.

Canadian Authorities Meet

HALIFAX, N. S.—The Canadian insurance superintendents association at its gathering here Monday and Tuesday received committee reports. Commissioner Harrington of Massachusetts addressed the Monday dinner meeting on the S.E.U.A. decision. Superintendent Barnstead of Nova Scotia presided.

D. of C. Enrollment Increases

WASHINGTON—Greatly increased enrollment in the new training courses was reported at a dinner meeting of the District of Columbia C.L.U. chapter by Mitchell Owens, education chairman, who outlined the courses.

Hobbs Speaks in Pittsburgh

P. B. Hobbs, president National Association of Life Underwriters and manager of Equitable Society in Chicago, will speak on "Post-War Essentials" at a luncheon meeting of the Pittsburgh association Sept. 26.

Painting Contractor

One of the very highest quality ratings on our latest month's Persistency Rating Chart lists was recorded for a painting contractor who had bought a \$10,000 policy.

Our guess is that this painting contractor will be the forerunner of quite a few others of the same trade, because "it's in the cards" that painting is going to have a very healthy early future.

In the first place, not enough normal painting work has been done during war years. Men and materials were scarce,—and time was scarce, and priorities were hard to get hold of. There is a long waiting line of work.

But there is another point. America has had to do a lot of painting outside of the traditional tracklines. The Army and the Navy and their contractors have had to go in for experimenting in strange places and under strange climates and conditions. Their newly developed products and techniques will have new markets as well as the old markets. We shall all be hearing and reading many interesting surprises, and it is up to us to meet the interesting people with those ideas, and to present ideas for their economic futures via life insurance.

• • •

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Rift Appears in Ranks of All-Industry Group

The National Assn. of Insurance Brokers has withdrawn from the conference committee of the all-industry committee and has been replaced by the National Assn. of Insurance Agents. This step was taken after the recent Syracuse meeting of the all-industry committee, because the brokers group, represented by E. W. Sawyer, general counsel, did not wish to be in the position

of lobbying for the proposed rating bills.

Contrary to some reports, neither the brokers association nor the National Assn. of Casualty & Surety Agents, which Mr. Sawyer also represents, has withdrawn from the all-industry committee. Mr. Sawyer, however, has been given full authority by both groups to take this step if the all-industry committee goes all-out in pushing enactment of these bills before state legislatures in 1947. The conference committee was originally formed to deal with the committee of the National Assn. of Insurance Commissioners in composing differences on model legislation.

At the Syracuse meeting, the committee voted to send representatives to various legislatures. Mr. Sawyer, speaking for his association, took the position that his groups would cooperate if it were a matter of explaining the bills, but not if it involved attempts to push them through legislatures. His two groups are strongly in support of only minimum legislation and they regard the rate law proposals as going way beyond the minimum requirements of the McCarran-Ferguson law.

The stage may thus be set for a bitter 1947 legislative battle on the extent of state control over rates, with the guess being that various shades of regulation will be adopted in the different states.

Many Training Activities at Connecticut Mutual

A series of schools and forums which reach every agency and nearly every level of operation is under way at Connecticut Mutual Life. The eighth of a series of refresher schools for agents who have returned from service took place the first week.

Ten advanced underwriting forums for qualified agents will be held beginning in October, with members of about seven agencies attending each one. Invitations were issued to agents producing \$250,000 during the past year and who had completed prescribed studies. The program includes business insurance, estate planning and pension and profit-sharing trusts. E. A. Starkey, supervisor of employee insurance plans, is in charge, assisted by Robert B. Proctor, agency assistant.

Also early in October there will be a home office school for new agents, Richard E. Pille, educational director, being in charge.

This will be followed by a two-week supervisors conference. Frederick O. Lyter, superintendent of agencies, will be in charge, Mr. Pille and Paul L. Guibord, assisting.

A general agents advisory committee meeting is being held this week.

T.C.U. Marketing Course Gets Under Way with Class of 40

The life insurance marketing course at Texas Christian University, Fort Worth, has gotten under way with a full complement of 40 students representing American Fidelity, American Hospital & Life, Amicable, Century Life, Connecticut Mutual, Franklin Life, General American, Jefferson Standard, John Hancock, Lincoln National, Manhattan, Minnesota Mutual, Republic National Reserve, State Farm, State Mutual, Texas Life, Texas Prudential, Travelers, United Benefit and West Coast.

This is the first basic course. The second basic class starts Oct. 14 when the first basic students will go into the field for 13 weeks. The third class starts Nov. 18.

Want Mortality Tables Revised

LANSING, MICH.—The State Bar of Michigan in convention here adopted a resolution declaring that life mortality tables should be "revised to conform to the present standards of longevity."

109 Straight Interviews Click for Franklin Man

"If he gets in he'll sell me...you get rid of him"

If you sell life insurance the headline tells a familiar story. Too frequently men who need your advice put off seeing you. You know the risks they run; so do they.

So you have to decide: "What is the sensible and practical way to handle these situations? Should you keep on trying to persuade prospects to see you, even in their own interest?"

Here at the John Hancock we have some answers to these questions. Recently we had an outside organization interview a number of life insurance buyers and prospective buyers. Almost invariably those interviewed commented that life insurance agents are performing a most important service, that their advice is believed to

be sound. Only rarely was there any evidence of resentment because of persistence.

These are a few of the many reasons why we look to a still finer future for the life insurance business. And why we spend time and thought helping our agents give good service to those who need life insurance.

Eighty-three years of growth.

Insurance in force
December 31, 1945
\$7,256,618,763



Glenn Geers

Glenn Geers, Franklin Life, Springfield, Mo., has established a record of sale per interview for 109 consecutive interviews, starting on June 15. Mr. Geers keeps an accurate record of hours, calls, interviews and sales. During the first eight months of 1946 he has made 227 sales for a total of \$629,502, thus maintaining better than a sale a day average for the 209 working days since January 1. Two weeks of this time were spent on vacation and attending the company's Estes convention. His average volume is more than \$3,000, with an average total of approximately \$200 for each week of 1946.

All-Industry Group Gives McCarran the Book

WASHINGTON—Hal Lackey, Senator McCarran's assistant, has received an elaborate and comprehensive report from the all-industry committee in response to the Senate judiciary committee's questionnaire concerning developments flowing from the S.E.U.A. decision and enactment of public law 15. The report, submitted by Henry Wood, Equitable Society, New York, committee secretary, was intended to answer committee questionnaires addressed to a number of industry associations and organizations.

The material furnished is voluminous and will be digested by Mr. Lackey for

a report to McCarran. Meanwhile, the report and the all-industry committee's covering letter, are not to be made public. They were described as just what the Senate committee was looking for.

It is understood the report describes the activities of the all-industry committee, practically to date, developments in various conferences and meetings, cooperative work with the National Assn. of

Insurance Commissioners and with various industry associations and committees. It covers steps taken, action, proposals suggested for consideration by the industry, and states and the commissioners.

Contents of Volume

Included in the book constituting the report are copies of model state bills, state laws and regulations, resolutions of various industry organizations, committee and subcommittee documentary material, etc. Mr. Lackey expects it will require considerable time for him to study and digest the report, along with replies received from industry associations and state commissioners to the committee questionnaire.

Keystone Group Hears Mrs. Eberly

Speaking before the Keystone group of Life Advertisers Assn. in Philadelphia, Marion Eberly, director of the women's division of the Institute of Life Insurance, said that the new advertising campaign of the institute, which stresses wise money management will be of special importance to women. She said the program will offer clear thinking and advice in the handling of family budgets in the face of the high cost of living and increase in family expenses.

New Psychiatric Approach Told

Dr. Foster Kennedy, president of the New York Neurological Society, in an address before the International Claim Assn. meeting at Quebec, pointed out new trends in the field of neuropsychiatry.

Psychiatry, he said, in the past 30 years, has both benefited and suffered by the influence of Freud's writing. Freud did much to offset the Victorian taboo on considerations of the sexual urge, but his work was over-dogmatized, over-symbolic and over-rigid and did not sufficiently regard the infinite variety of reactions on the part of different individuals towards identical stimulations. Also its technique tended to separate the psychiatrist from a proper consideration of the body, even including its nervous system, so that his thinking became verbalizations, explanations of mental mechanisms rather than investigations as to why abnormal mental mechanisms arose in the first place.

Six years of war did much to disperse much of this unreal approach and has directed attention towards the unity, in fact identicality, of body and mind as demonstrated through interdependence and has made physicians regard more closely the oneness of the total organism.

New knowledge regarding the nature of the hypothalamus has added much to this point of view.

The discovery that massive doses of insulin inducing coma caused in many cases a rapid disappearance of the symptoms of mental illness strengthened the medical outlook of the physician.

In the past six years, insulin treatment has been augmented by electric shock therapy, an unfortunate phrase in that the patient experiences no sense of "shock." This treatment has proven enormously efficacious in the great group of psychoses emerging from the manic depressive constitutions.

We are realizing that a disturbance of the forces in the human body is as important as a disturbance of that body's material tissue, and that disturbances of the equilibrium of energy-drives can give rise to abnormal body sensations as well as abnormal thinking.

The advent of sulfa drugs and of penicillin has greatly changed the face of medicine. It has been found that massive doses, 8 to 10 million units, of penicillin is the best possible treatment for syphilis affecting the nervous system and many cases of syphilitic encephalitis, formerly a fatal disease, are now curable by this method.

John T. Van Doren, cashier of Mutual Benefit Life, is retiring Oct. 1 after 54½ years with the company, which he joined April 1, 1892, upon graduation from Orange (N. J.) high school. He began in the correspondence department, then was transferred to the finance department. When the cashier's division was set up in 1927 he was appointed cashier. His associates tendered him a dinner in New York and a luncheon in Newark. He resides in East Orange.

Complete PERSONAL Protection

Life • Accident • Sickness
Hospital-Surgical

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INDIVIDUAL
FRANCHISE
GROUP
PLANS

•
PROVIDENT
LIFE AND
INSURANCE ACCIDENT
COMPANY

Chattanooga, Tennessee



Clark Urges Wider View on John Hancock Leaders

As the keynote of the convention of John Hancock general agency leaders in Swampscott, Mass., President Paul F. Clark in opening the meeting urged more active participation in the solution of problems not directly concerned

matters related to the business. "Because life insurance is so interwoven with the fabric of our national life and our society," he said, "it cannot be considered as a thing apart. We must be attuned to changing laws and viewpoints, changing concepts as to the relative value of accumulated and inherited wealth. We must more clearly evaluate the relationship of the individual with government, of employer with employee and of man with man."

Calling for a more complete understanding between management and field forces of life companies, President Clark said that unless a company clearly outlines its problems to its field organization they can hardly be aware of the part they can play in their solution. Unless the field force, with full knowledge of the company's problems, extends the help which it alone can render, little progress will be made toward minimizing difficulties. "We will have missed a great opportunity to be of real service to our policyholders and a credit to the institution and the reputation it has established."

Characterizing the group of 50 mil-

lion Americans whose thrift and self-denial have accumulated the savings which make possible our country's tools of production as "the strongest force in the nation for progress," Mr. Clark said. No part of this group is completely dedicated to the promulgation of thrift, to the accumulation of savings, as the life insurance forces of America. Few have contributed more toward making America supreme in world productive capacity and strength.

Mr. Clark pointed out that out of these 50 million thrifty Americans 41 million are life insurance owners, while savings bank depositors number 45 million, farmers and small business and professional men 16 million, 13 million are women, most of whom are beneficiaries of life insurance and annuities, 6 million elderly retired workers.

"Some own more than one form of savings invested in tools of production," said Mr. Clark. "Not counting duplications there are 50 million thrifty Americans who have made possible the very foundation of our national strength and material welfare."

Business Must Be Sold

Vice-president Clyde F. Gay said the sales training and sales plans of John Hancock are all directed to the improvement of the skill of the individual. Summarizing the convention program, which consisted of talks by successful producers from big cities and scattered rural territories, Mr. Gay pointed out that the prestige of the individual salesman is something which he must build within himself—that on his individual performance depends the public's approval, acceptance, and proper evaluation of the economic service the agent performs.

He believes the present period of good business for life insurance agents, based on an unprecedented total of employment and a widely-spread total of purchasing power, would continue for the next three to five years, he added, "Life insurance will still have to be sold—dramatically, enthusiastically through developed skill in the art of painting pictures with words."

Safety of Air Travel

The safety of air travel was stressed by Second Vice-president R. E. Moyer. While automobile accidents continue, the automobile is a safe means of transportation and would not have become as popular as it is today, if any large degree of hazard had continued to exist, Mr. Moyer said.

"The same thing must apply to aviation. Remarkable strides have been made in aviation and much improvement has occurred in the safety of this new form of transportation. We can certainly look for further improvement in safety since aviation as a means of travel will not become increasingly popular unless it becomes a reasonably safe means of transportation."

In connection with scheduled air line travel he said that while some slight hazard still exists, it is so insignificant that an individual using this means of transportation has no difficulty from this score in obtaining life insurance. Most exclusive provisions apply only to pilots, members of the aircraft crew, or to aviation training. For the regular air line pilot the rating is so low as to be almost insignificant. In fact it is less than the rating generally charged for a steam locomotive engineer.

Investment Problem Reviewed

It has been difficult to arrive at reasonable ratings for those engaged in military or naval aviation, according to Mr. Moyer, because so little data has been available and because conditions are constantly changing.

As to the war hazard in general, Mr. Moyer reported that war deaths accounted for 9% of John Hancock's total death claims in 1942-1945 inclusive, and said the experience was much the same in other companies. The total mortality experience of the company during this period did not increase materially as a result of these war deaths. This was largely due to a better mor-

tality experience in the civilian population as a whole, so that the combination of these two factors resulted in very little rise in the total mortality experience.

"The fact that war restrictions were used almost universally on policies issued after Pearl Harbor," Mr. Moyer stated, "kept life insurance companies from being exposed to an excessive war risk and placed the risk where it belonged, under National Service Life Insurance. Had war restrictions not been used, many people would have bought life insurance in anticipation of being called to military service, and the companies would have been exposed to much larger war risk."

Life companies hold a little more than half of the private long term bonds of the country today, compared to about one-fifth in 1930, H. S. Payson Rowes, treasurer, told the group.

"Sixteen years ago," Mr. Rowes said, "life insurance company assets were about \$20 billion. They are now over \$45 billion. We have therefore reached the point where the supply of bonds and mortgages available for investment by insurance companies and others has become very limited. Life companies are in more or less the same position and we are all seeking the answer."

(CONTINUED ON PAGE 19)



Paul F. Clark



R. E. Moyer

with life insurance selling. He declared that life men are inclined to be too concerned with life insurance selling and not sufficiently concerned with other

The COMMONWEALTH Commentary

CONGRATULATIONS, PHIL HOBBS!

To Philip B. Hobbs, newly elected NALU president, we extend our heartiest congratulations, and we commend the Association on its natural and excellent choice.

By his long and colorful record as a fieldman and manager, and by his sterling services to the institution of life insurance across the years, most recently as vice president of the Association, Phil has made it clear that he is a vigorous leader well fitted to head NALU in the current peak of its vigor.

The many warm friends Phil Hobbs has made through underwriter association activities, through his work as agency manager in Chicago for the Equitable Society, and through his numerous engagements as a sought-after speaker, know what a thoroughly competent job he will turn out as NALU president.

Insurance in Force, August 31, 1946 — \$295,419,885

COMMONWEALTH

LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President



★ WHEN HILBERT RUST'S "FINANCIAL SECURITY FOR YOURSELF AND YOUR DEPENDENTS" WAS RELEASED IT HELPED SELL MILLIONS TO THE OLDER, UPPER-INCOME BRACKET MAN WHO "WAS THROUGH BUYING LIFE INSURANCE."

* * *

"FINANCIAL SECURITY" proved the case for the transfer of investments by charting the TRUE cost of insurance under today's tax situation.

THE "TRUE COST" IDEA had been developed but only in fragmentary form. "Financial Security" took the idea to pieces and put it together again—and opened a new day for the underwriter whose prospects have purchased adequately for protection and retirement.

A NEW EDITION will be ready about October 1st.

* * *

THE SINGLE COPY PRICE IS \$2.25. IF YOU FEEL YOU COULD USE IT WITH PROFIT, WE WOULD BE GLAD TO SEND YOU ONE OF THE FIRST AVAILABLE COPIES.

PAUL SPEICHER
Managing Editor
THE INSURANCE
RESEARCH & REVIEW SERVICE
INDIANAPOLIS

September 20, 1946

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Walls Conn. Mutual Chicago G. A.



Ewart G. Walls, Jr., agency assistant in the home office of Connecticut Mutual Life, has been appointed general agent at Chicago.

Mr. Walls takes over the agency at 208 South LaSalle Street which had been headed for the past 21 years by Louis J. Fohr, whose retirement, due to ill health, was announced in June.

Mr. Walls becomes the youngest general agent of Connecticut Mutual. He joined the company in 1938 after graduating from Dartmouth. His first year was spent in the home office with a college training group following which he became service manager for Charles J. Zimmerman, then a general agent in Chicago. Later, he did personal production work and became a brokerage supervisor for the agency.

When William H. Siegmund, Los Angeles general agent, was called into the navy, Mr. Walls was appointed acting manager of that agency. In 1942, he entered the army as a private, served in this country and overseas, and was discharged early this year as a captain. On the agency department staff of Connecticut Mutual, he has assisted in the development of brokerage.

Williams Gives Mutualization View

Charles F. Williams, president of Western & Southern Life, has been quoted as stating that he has been authorized by the directors "to investigate the whole question of mutualization" and submit a plan for review before a special meeting of stockholders next month. The insurance commissioners in the states in which Western & Southern operates, are having a meeting at Columbus this week on the question at the request of the company.

Mr. Williams said that for several years he has been considering the course which the stockholders "should take in view of the nature of the company's business, its size and its most favorable financial condition."

Set Goal Long Ago

"My own desire has been to mutualize the company for the benefit of our policyholders and our field and home office organizations, since that was the eventual goal which my brother and I set for ourselves many years ago."

The company said that the Williams brothers "built one of the strongest financial institutions in the United States. It has always been their firm and well founded idea when an insurance company becomes of a certain size that mutualization is the next logical step."

Loder Agency Gathering

The Loder agency of Mutual Life in Chicago will hold its first annual dinner gathering Saturday night. Ben H. Williams, superintendent of agencies central division, and Roy B. Klager, manager of the central service office, both of Chicago, will speak. The agency attained 133% of its assigned quota in August.

Standard of Ore. Group Plan

Adoption of a group life plan and also a group accident and health plan with hospital and surgical benefits, to be written by Prudential, has been made available by Standard of Oregon to agents under full-time quality business contracts, which give an agent up to 70% first year and 4 renewal commissions for top quality business. Commissions are graded downward for poorer business.

A retirement fund has been set up for each agent to which the company contributes an amount equal to 1% of the agent's commission earnings, to provide a retirement annuity at age 65.

Lutheran Mutual Agents' Outing

Fair Hills Resort, Detroit Lakes, Minn., was site of an outing for 70 leading producers of Lutheran Mutual. Business sessions were held daily.

Nat'l Guardian Men Hold Forth

MADISON, WIS.—With 85 agents attending National Guardian Life held its first convention since 1941 here over a three day period. Guest speakers were Arthur Priebe, Penn Mutual, Rockford, Ill., on "Simple Programming" and Dr. Arthur Aurner, professor of business administration University of Wisconsin, on

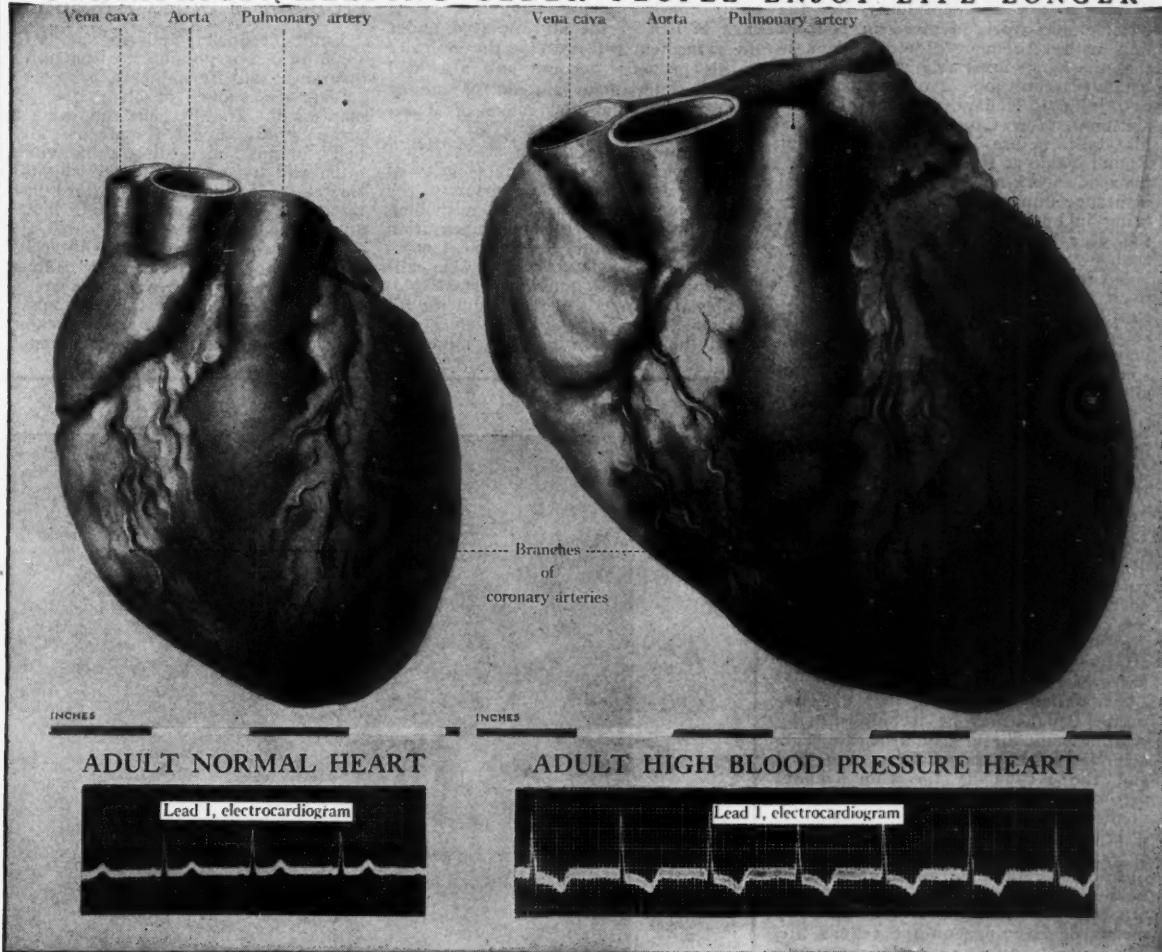
"Public Confidence as Business Lever."

President Richard Boissard and Al Schmedeman, agency department head, shared honors in presiding. The banquet gathering numbered 181.

Benton Dempsey, Ohio general agent, Columbus, was the stellar athlete and took home the golf trophy.

The new book *Risk Appraisal* by Harry Dingman presents all the factors that permit forecast of health and longevity. 324 pages—\$10.00 from THE NATIONAL INSURER.

GERIATRICS: HELPING OLDER PEOPLE ENJOY LIFE LONGER



Drawings by Jean E. Hirsh

Longer life for people past 40

At the left above is a normal, healthy heart. Chances are, the one you possess is like that.

The other is a heart enlarged far beyond normal by the prolonged impact of high blood pressure. It is an example of one type of "heart disease", and heart disease as a whole is the greatest killer of Americans today.

Yet, thanks to medical science, the person whose heart is being affected by high blood pressure has more reason for optimism than ever before. By means of timely examination, including the use of electro-cardiogram and X-ray, a physician can accurately detect impairment of the heart muscle resulting from high blood pressure or other cause. Having diagnosed it, he has at his disposal new medical substances and new techniques which are proving highly successful in controlling such heart disorders and in promising more comfortable living for persons so affected. What's more, he can give

reassurance to those whose hearts prove to be strong and healthy.

All this is embraced by geriatrics—the science of helping older people enjoy life longer—which is already alleviating many of the diseases and breakdowns of old age, including heart disease. Some, indeed, it promises to conquer outright. The result: If you are 40 today, you may reasonably look to another 30 years or more of pleasure and accomplishment, free not only from many of the "inevitable" diseases of old age, but free of the fear of them.

Of course, good health alone does not necessarily spell a serene and happy old age. Just as important to the enjoyment of those years is financial

solvency, based on a sound program of savings and life insurance.

And because financial planning is so vitally important, it deserves the best advice you can find. Your NWNL agent has a strong personal interest in providing you exactly the right kind and amount of life insurance, measured by what you need and can afford, because he is paid not primarily for the amount he sells you but for the amount you keep in force. He can help you plan wisely for a financially comfortable future.

FREE PAMPHLET: "Take Heart" tells in simple language of recent advances in both prevention and treatment of heart disorders. Sent free on request.

NORTHWESTERN National LIFE
INSURANCE COMPANY

O. J. Arnold, President

Minneapolis 4, Minn.

This is a reproduction of NWNL's latest national magazine advertisement

Sales Ideas and Suggestions

Stock Retirement Planning Leads to Contingent Sales

Among the compensations for the considerable work involved in connection with retirement of stock plans is that the agent invariably works into an estate planning job for other stockholders, John J. Kellam, National Life of Vermont, New Canaan, Conn., said in his talk before the Million Dollar Round Table at French Lick. This extra spade work may not mean additional insurance immediately, but continues to bring in business from work last year, the year before, and the years before that.

No person can outline a stock retirement plan or formula which will apply to all situations. Every case, with the set of facts pertaining, constitutes a new unique problem, he said. The only reason for calling a life agent into the situation is for the solution of problems, especially those involving life contingencies. In order to do this the life underwriter must possess the ability to do estate planning work. If the underwriter has a working arrangement with a tax attorney or a certified public accountant, he is indeed fortunate, Mr. Kellam said. Then the agent can furnish the rates and specific information pertaining to life insurance, as well as coordinate the job to be done. Regardless of how much the agent knows about the subject, he is smart to let the trained attorney or accountant do the major share of the work.

Mr. Kellam pointed out that stock retirement plans may be accomplished by two methods, the first of which he characterized as the straight forward method and the second as the round about method. The straight forward or direct method is the easy method, he said, for it is the one whereby one stockholder agrees to buy, upon the death or possibly on the retirement, of another stockholder, his stock. The buyer usually arranges to finance such a plan by means of insurance on the seller's life. The person purchasing the insurance pays the premium from his personal fund, is complete owner of the contract and sole beneficiary, except for any limitations placed on it by the agreement or escrow arrangement. Such a contract, together with the stock to be purchased, is often put in escrow for the trustee so that the buy and sell agreement may be consummated at the time of death of the deceased stockholder.

Roundabout Method

The roundabout method is the one whereby the corporation makes either an agreement or a resolution to buy upon the death or the retirement of the stockholder, his stock. The corporation usually finances such a plan by means of insurance on the seller's life. In such a case the corporation pays the premium from its surplus, is the complete owner of the contract or contracts, and is the sole beneficiary thereof.

The primary motive which prompts a properly designed stock retirement plan is to insure continuity of the corporation, Mr. Kellam said. By such continuity, all survivors including the deceased's heirs, the surviving stockholder and the corporation itself may expect continued benefits from the corporation just as they are enjoying it at the inception of the plan.

The second reason for the stock retirement plan is to liquidate the deceased stockholder's interest. This is especially important where the estate and transfer taxes imposed are large. A

ready market guaranteeing his estate cash in lieu of the stock placed under the agreement will preserve the integrity of his property account and also will take the maximum amount of money from risk capital and make of it secured capital.

A third purpose of the stock retirement plan is to increase the security of employees by making more certain of the corporation's continuity and providing opportunity of increased compensation for them. According to the most modern version, a stock retirement plan calls for study of the individual stockholder's estate, and also for a study of his relationship to other key men in the closely-held corporation who might be

available to succeed him. The problems of the key man insurance enter this picture as does the pension plan.

Aiding Prospect Solve Will Problem Is Sales Approach

Equitable Society tells its agents that sometimes it is possible to lead into an insurance sale by aiding a prospect in solving some allied problem, such as a man's will. If the agent can show the prospect how a will is valuable to his heirs, or get him to discuss his will, he often will loosen up and tell about his estate—or lack of it—and afford information of value in approaching him on an insurance sale.

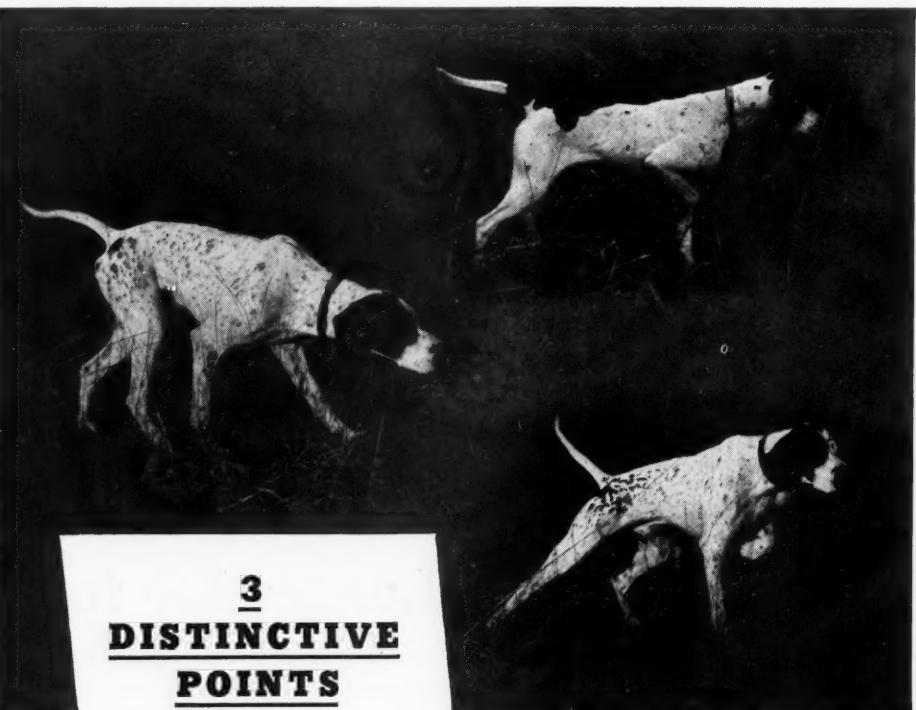
If the prospect is going to leave only a small sum, life insurance is definitely one of his needs, and the opportunity is there to show him this fact unmistakably. On the other hand, the company tells its men, if the prospect is capable

of leaving a substantial amount, there are the various and sundry taxes which should be taken into consideration. The will make a complete estate analysis desirable, and such analyses often lead directly to applications for life insurance.

Refresher Increases Production

New England Mutual's fifth and ninth-day refresher course for its returned veterans started last week at the home office. Representing 14 general agencies, 15 are enrolled.

The company has conducted five training seminars for first-year agents, supervisors and newly-appointed general agents as part of its post-war educational program. Over 100 agents who graduated from these courses have increased their production nearly 100% since returning to their agencies. The 72 veterans who have completed the refresher now are paying for new business at an average rate of more than \$250,000 a year.



3 DISTINCTIVE POINTS

The ideal income for the family plan should be flexible. Through the use of a special "rider," LNL's Family Income (income during dependency of children) and Family Maintenance (income for stated number of years) Plans offer great flexibility because they embody these three distinct points:

- 1) **The special "rider" may be added to many types of LNL policies.**
- 2) **The special "rider" may provide a cleanup fund or not, as desired.**

LNL representatives serve the public in 48 of the 50 States, Hawaii, Philippines, Canal Zone, and Puerto Rico.

3) The special "rider" may provide a monthly income of either \$10 or \$15 per \$1,000 of principal contract. This unusual feature allows 50% more income for the same amount of principal contract.

Its Name Indicates

THE LINCOLN NATIONAL LIFE INSURANCE CO.

Its Character

FORT WAYNE, INDIANA



Invite
to P.L.

Agents, and insurance companies participating in zone 6 competition on Sept. 23-24, 1946, in Columbia, South Carolina, said the views on designed to public law.

Commission meeting at Oregon, Washington, and Arizona.

The first session two sessions on Sept. 25, interim committee problem, with committee participating.

Cashiers, Miss Cat, Life, Austin, Life Agent had received given men not find it to men; the affairs in the

Home Life at "Victory" Parley Salutes Veterans

The "Victory Conference" of Home Life of New York is in session at Hotel Claridge, Atlantic City. At the dinner dance Friday the home office and field organizations join to salute the 70 veterans from home office and field who are now back with the organization.

James A. Fulton, president of Home Life, will present a bronze tablet bearing the names of those men and women from Home Life who served with the armed forces. The tablet will be received on behalf of the veterans by James S. Dudley, Jr., Bluefield, W. Va.

He was wounded in action.

"Building Confidence with Clients"

was the theme. Chairman of the ses-

ar education

division is William P. Worthington, agency

vice-president.

During the year every veteran who has returned to the organization has received refresher training. Total volume of new business to Sept. 1, was \$70,650,120, which topped all previous annual records in Home Life's year history. The best previous annual record was \$65,510,000 in 12 months of 1945.

Speakers were Mr. Dudley, Harold

Poeschel, Newark; E. J. Druilhet, New

Orleans; P. F. Grove, Jr., Washington;

Stanley Baer, St. Louis; A. P. Morris,

Newark; B. M. Marks, Chicago; J. S.

Chamberlain, New York, and K. E.

Lake, Salt Lake City.

Earlier in the week Home Life

Agency Assn., comprising all managers,

met. Agency building through the

building of successful men was the under-

lying theme.

Featured at that meeting were Vernon

W. Holloman, Washington; John H.

Coles, Pittsburgh; and John H. Evans,

New York. The subjects which those

men developed were pointed toward se-

lection, training, and direction.

Two special coaches for Home Life

people were included in the Atlantic

City train leaving New York to carry

the home office delegation to the big din-

ner. Included in the party are 27 veter-

ans, all officers of the company, and a

large party of men and women who

were with Home Life Dec. 7, 1941.

The total home office party includes ap-

proximately 150 persons.

The meeting this week is the first

convention since 1941.

Invite All Interests to P.L. 15 Debate

Agents, brokers, company executives and insurance buyers have been invited to participate in the coming meeting of zone 6 commissioners in San Francisco Sept. 23-24. In a bulletin to the public, Commissioner Garrison of California said they were invited to voice their views on proposed legislation which is designed to meet the requirements of public law 15.

Commissioners registered for the meeting are Mr. Garrison, Thompson, Oregon, who will preside; Sullivan, Washington; McMonigle, Idaho; Rumage, Arizona; Schmidt, Nevada.

The first session starts at the Fairmont hotel at 1:30 p. m. Sept. 23 and two sessions will be held the next day. Sept. 25 the California legislative interim committee, studying the same problem, will meet with a representative committee of the all-industry committee participating.

Cashiers Hear Woman Agent

Miss Catherine Bailey, Great Southern Life, Austin, Tex., who told the Austin Life Agency Cashiers Assn. that she had received the same type of training given men, declared that women do not find it any easier to sell women than to men; that in selling a man of large affairs in the business world, the woman

is at a disadvantage as compared with a man unless she has an excellent business background; that it is no easier to sell friends than it is new contacts.

She prefers talking to men on insurance for their children. Young girls holding their first position are difficult to sell, pleading that they cannot save the money. She would answer them by showing them that life insurance can now be bought on a monthly basis and that small payments are available.

The new book *Risk Appraisal* by Harry Dingman presents all the factors that permit forecast of health and longevity. 824 pages \$10.00 from THE NATIONAL UNDERWRITER.

Doctors, Insurers Join Hands in Prepayment Field

American Medical Assn. committee-men conferred in Chicago Tuesday with insurance leaders in the interest of promoting joint voluntary pre-payment plans for hospital and medical care. They also authorized study of the unit fees schedule idea and operational problems of indemnity and service contracts.

Insurance conferees included Dr. H. M. Rees, A. N. Guertin and John A. Henry, representing American Life Convention; Dr. A. J. Lanza, Dr. H. G. Ungerleider, Albert Pike, Jr., and W. A. Milliman, for Life Insurance Assn.; Harold Gordon, C. O. Pauley, B. A. Howland, Health & Accident Underwriters Conference; C. C. Clark, Assn. of Casualty & Surety Executives; J. F. Follmann, Jr., Bureau of Personal A. & H. Underwriters; Ambrose Kelly, American Mutual Alliance; Dr. H. E. Wiley and John E. Little, National Fraternal Congress.

A special joint committee was set up to study the rural problem.



WHAT A CONTRACT!

Our field man's contract is more than a contract. It offers liberal new and renewal commissions on all life insurance business and liberal first year and continuous renewal commissions on Accident, Health and Hospitalization policies.

But over and beyond the contract, you'll find liberal "app-a-week" bonuses; awards for persistent production; an agency retirement plan; generous contest awards and incentives; production clubs; out-of-the-ordinary conventions and most of all, an interested, sincere understanding of every field man's problems.

Let us tell you more about our contract

Bankers

NATIONAL LIFE
Insurance Company.. Montclair, N.J.

Ralph R. Lounsbury, President
W. J. Sieger, V. P. & Supt. of Agencies

LIFE • ACCIDENT • HEALTH • HOSPITAL

We're Getting to be an Ordinary Company, Too . . .

More than half of our
\$111,000,000 gain dur-
ing the first six months
of 1946 was Ordinary,
. . . of which we now
have well over \$500,-
000,000 in force.

The NATIONAL LIFE AND ACCIDENT Insurance Company, Inc.



HOME OFFICE NASHVILLE TENNESSEE

John Hancock Leaders Tell of Plans That Have Clicked

The telephone book and the American Medical Directory at the local library served as his original prospect list when William Parr of Baltimore decided to specialize in writing physicians, he told the convention of John Hancock general agency leaders at Swampscott, Mass.

Naturally all of those listed were not and could not be considered prospects. He separated them into age groups and decided to concentrate on those under 50. The war put a temporary dent in this group but those who remained made substantially higher earnings.

Different techniques are necessary. While the general practitioner can be seen shortly after office hours the specialist works by appointment only. "If there are no other avenues of approach, and it should be absolutely necessary," Mr. Parr advises, "a talk with the secretary will probably reveal the best time to see the doctor." Mr. Parr mails a letter, personally signed, to his medical clientele every six weeks, with a new idea showing how life insurance fits into the professional man's estate program. The letters emphasize the continuing high taxes and low interest return on investments for future estate accumulation.

Are Deliberate in Thinking

For the man who wants to try his luck among the doctors, Mr. Parr warned that both by training and experience they are slow and deliberate in their thinking. It will usually require more than one call to gain their confidence and obtain a completely informative interview.

Each year the two large medical schools in Baltimore graduate about 200 students. Many remain in Baltimore and upon completion of their hospital training enter local practice. Mr. Parr sends those who intern in local hospitals an introductory letter. He makes no attempt to follow up but sends another letter in 30 days. This letter emphasizes that any purchase of life insurance they may have under consideration should be tailored to fit their own financial needs. Subsequently he makes a personal call and recommends the modified life plan as an answer to their

particular problem. He makes every possible effort to keep in close touch with them during their hospital training.

Some doctors who have been in service may have policies with clauses which became null and void upon their entry into the service. It may be well to call this to the attention of the discharged doctor and offer to review his policies so that these clauses may be reinstated.

Business Insurance Prospects

"The country is full of business insurance prospects," Ned Litwack of Newark declared. "They won't search us out, because we haven't new cars or refrigerators or nylon stockings or white shirts for sale, but they are waiting for us to come in to see them, and see them we must if we are to sell them."

The average business case is generally larger than the personal case and in addition it offers an unlimited development of personal insurance, he said. It can also furnish innumerable new prospects among other executives and employees in the company as well as in the industry as a result of the prestige created by doing business with top officers or key men.

Death Creates Loss, Also Funds

Stating that the average business man doesn't want to sit at a board of directors meeting with the wife and children of a deceased associate, Mr. Litwack observes that the absence of a binding agreement between the stockholders executed today may mean just that tomorrow. Such an agreement can be made to work most effectively only through life insurance, since the death that creates the loss also automatically creates the funds to offset the loss and at the exact time needed.

He urged that business insurance plans previously written should be re-studied with a view of bringing the insurance in line with the increased value of the business if it has improved itself. "It is a great source of additional insurance with little sales resistance," he said.

Early in the interview, Mr. Litwack makes it a point to bring up the possibility that one or more of the stock-

Install National C.L.U. Officers



NEW OFFICERS OF AMERICAN SOCIETY OF C.L.U. INSTALLED AT CLEVELAND.

Left to right, seated, Roland D. Hinkle, Equitable Society, Chicago, president; standing: Martin Scott, Scott & Co., Los Angeles, secretary; Walter A. Craig, State Mutual Life, Philadelphia, vice-president; Corydon K. Litchard, Massachusetts Mutual, Springfield, Mass., treasurer.

holders or key people may be uninsurable. He finds that early consideration of this fact will usually save the case if such a situation should subsequently develop. He suggests that a fund be created for the uninsurable party by annually depositing therein the premium that would ordinarily be charged if he were insurable. Should he predecease his associates this fund may be used as a down payment on his interest and the balance paid in installments over an agreed period of time.

Who Has Surplus Dollars?

"Who is the man with the surplus dollars?" J. Kenneth Wyard of Columbus asked.

"Actually, the man with surplus dollars is so prevalent that in many instances we overlook him. We may sell a clerk in the store, but who is the proprietor? We may sell a foreman in a plant, but who are the owners? We may sell a purchasing agent, but who are his chief suppliers? We may sell the operator of a food shop, but from whom does he rent the building? We may sell a salesman but who manufactures the various products he is selling?"

"Who has recently become an heir? Who has made some bequests? Who has had some promotions, or recently opened a business or is sending his children away to school?"

"Mortgage, bond and stockholders often have surplus dollars to invest; also various property owners. Small business men as well as officers, executives and sales managers of large concerns we know are doing well financially; club and lodge members and civic leaders. Professional men, as a group, as never before, have surplus earnings."

Early in his career Keith Smith of Kankakee, Ill., learned that if he presented life insurance simply as a "saving for the future," he could effectively hold the prospect's attention. Further experience taught him that putting his ideas in the form of a written chart made the interview go more smoothly. Getting the prospect to feel that you are on his level, Mr. Smith also discovered, encourages him to be more friendly and prone to answer questions.

He told how he followed this simple sales procedure in writing a farmer who didn't believe in life insurance and his six brothers and their families for a total of \$50,700.

One Interview Often Enough

Two interviews are not necessarily better than one, in the opinion of George H. Wittenberg, Little Rock, who discussed selling a man who already has \$10,000 life insurance. He pointed out that this classification covers a large group of prospects because the great majority of discharged service men have the government maximum of \$10,000.

Mr. Wittenberg's theory is that the man who owns \$10,000 of life insurance has a different attitude toward life insurance than the man who is uninsured or insured for a smaller amount. Such a man can be moved to a decision at a faster pace and if he has been a service man he generally has had training in making up his mind fast. "I call this technique simple programming," he said. "It is nothing new and we all use it in some way or another. It usually starts with answering an objection which comes to you in the form of 'I've got all the insurance I can pay for' or 'You are perfectly right, but I carry \$10,000' or 'I have my \$10,000 government insurance.' It is only a matter of minutes to explain to him just what his \$10,000 will do and why it becomes inadequate for the job he needs to do."

Thomas Sells "Wife" Insurance

A man who today neglects having "wife" insurance is either narrow-minded or his life insurance agent is neglecting him, Edward G. Thomas of Denver said.

"With the influx of new children into the world, what will happen if those

children lose their mothers while they are still ages 2, 3, 5 or 10? Certainly a period for employing a housekeeper to care for small children after the passing of a mother is not an unreasonable thought. The least possible amount to compensate someone to care for the children would be \$25 a week; and for five years, that takes \$6,000 of insurance. Why sell all the life insurance on dad?"

Mr. Thomas began cultivating the women's market four years ago when he was asked to speak to a group of graduating nurses. As a result half the

(CONTINUED ON PAGE 23)

Albert C. Adams President

Albert C. Adams, Philadelphia, has been elected president of the John Hancock General Agents Assn. J. Bruce McWhinney, Newark, and McKay Reed, Louisville, are vice-presidents; Manuel Camps, Jr., New York, treasurer, and Frank Bobst, Boston, secretary.

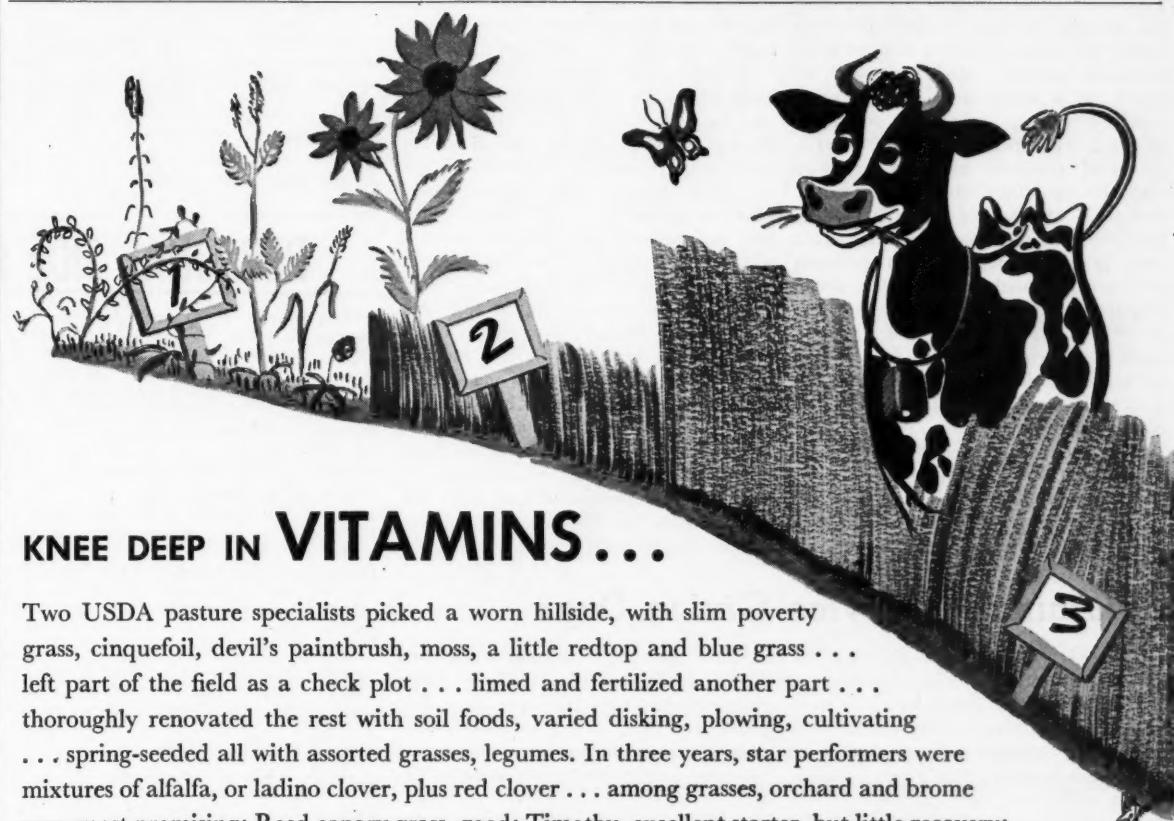
Dr. Blake C.L.U. Speaker

CINCINNATI—Dr. Francis Blake, dean of the Yale medical school and chairman of the advisory council of

Life Insurance Medical Research Fund, is the opening speaker of the Cincinnati C. L. U. chapter's fall program Sept. 24.

C.L.U. Courses at U.S.C.

The Los Angeles C. L. U. chapter has announced that the University of Southern California will conduct C. L. U. classes this year. The university is accredited under the GI bill of rights. There will be 30 two-hour sessions for each of the four sections.



KNEE DEEP IN VITAMINS...

Two USDA pasture specialists picked a worn hillside, with slim poverty grass, cinquefoil, devil's paintbrush, moss, a little redtop and blue grass . . . left part of the field as a check plot . . . limed and fertilized another part . . . thoroughly renovated the rest with soil foods, varied diskling, plowing, cultivating . . . spring-seeded all with assorted grasses, legumes. In three years, star performers were mixtures of alfalfa, or ladino clover, plus red clover . . . among grasses, orchard and brome were most promising; Reed canary grass, good; Timothy, excellent starter, but little recovery; tall fescue, not too palatable; Birdsfoot trefoil, less productive than alfalfa, but more tolerant of overgrazing . . . The check plot yielded a pitiful half ton each year . . . the limed and fertilized plot, a half ton initially; after wild clover got established, furnished nitrogen, yield was 1 1/4 tons . . . but the thoroughly renovated plots gave 1 1/4 tons first year, 2 1/4 the second, 3 1/2 the third . . . stepped up production seven times . . . and the cows, with richer nourishment, gave

much more milk! . . . Proper pasture restoration puts herds knee-deep in vitamins adds many millions to farm wealth . . . Insurance advertisers will get new ideas, a fresh concept of farm progress from "It's easy to double Pasture Yield," see *SUCCESSFUL FARMING*, September, page 31.



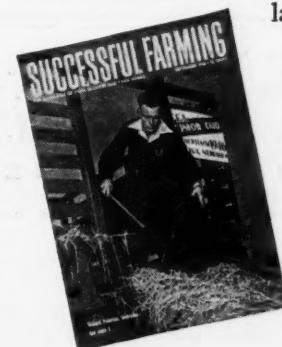
Bird breezers . . . electric fans for laying hens, reduce moisture, cut cleaning time, pep up flocks and fresh egg production . . . "Blow Your Troubles Away," page 23.



Fifty future farmers . . . high school lads of Neligh, Nebraska . . . helped lick the food shortage . . . raised 117,542 pounds of pork, plus corn, oats, rye, hay, milk, beef, lamb, and fowl . . . now have net worth of \$50,000 . . . "Beavers are Slow Pokes," page 6.

Also . . . "Farm Surpluses won't plague us" . . . "Cow Testing for more Dairymen" . . . "The Farm Outlook" . . . "Successful Homemaking" . . . 44 arresting agricultural articles and fascinating features make SF required reading for insurance advertisers to keep up with their best policy market . . . the 13 agricultural Heart states, New York and Pennsylvania . . . where SF is tops with top farmers, having highest cash income, largest yields, greatest property investments . . . a major opportunity for underwriters!

SUCCESSFUL FARMING, Des Moines, New York, Chicago, Detroit, Cleveland, Atlanta, San Francisco, Los Angeles.



EDITORIAL COMMENT

Maintaining the Sales Perspective

One of the things which made Denis B. Maduro, New York lawyer, popular as a moderator at the recent convention of the Million Dollar Round Table at French Lick, was that he was able to put into words the bewilderment which a number of those present felt whenever the meeting had bogged down on some highly technical and often minute point of law or taxation. More than once, he called for a return from these excursions by asking, "what are you men, anyway, tax experts, financing experts, industrial relations men, or are you really life insurance salesmen as you say you are?" He agreed that the modern life agent has to know something about these fields, but suggested that too much preoccupation with such matters could obscure the fundamental function of the job, which is to sell. He said there is a point beyond which a man can become so enmeshed in legal and tax matters that he is paralyzed as far as sales are concerned.

Mr. Maduro admitted that as a lawyer he is in a profession where "experts on everything" are not uncommon and where many a man weighted down with legal "mumbo-jumbo" gets far off his

course into waters which are intellectual, but non-profitable because they are unpractical at the moment.

The speaker received a good many affirmative nods whenever he touched upon such thoughts and a number of men came up to the rostrum to thank him for, as one producer put it, "keeping the meeting on the track."

It would appear that represented on the Million Dollar Round Table are those men most fitted to couple highly technical legal and tax knowledge with sales, but even they are apparently fearful of losing their balance. The caution would seem to apply with more force to the less experienced man in the business who in his first year or two has so much technical information thrown at him, that he has no time to digest any of it thoroughly. Such a man might follow the example of many of the millionaires who have mastered a phase at a time or who, recognizing human limitations, have tended to specialize early in their careers on one phase alone, leaving themselves enough mental room to retain the perspective which places the emphasis on life insurance selling, the reason for their existence.

Returning to Service Giving Days

There is evidence now that we are turning to former service bases in a gradual way. All industries in lines of activity have been overwhelmed with orders and business and hence, many of them have been prone to adopt an indifferent and "don't care" attitude. They lost sight of their obligation to the public. This is not true in all cases. There were some institutions that endeavored to keep up as far as possible their regular service. They may have been frustrated from time to time, but they did the best they could. Insurance men, as a rule, while overwhelmed with work and with all the business they could handle, tried

to satisfy customers they had in the past. There were some who neglected their customers in a way. However, those who maintained their service as well as possible will reap the reward. The public has now written the names in large letters the service giving people and institutions during the days when they needed help and realized the difficulties. It will be found that those who did try to do the best they could, and looked after their customers in a reasonable way will now reap their reward. This goes to show that all of us should not forget rendering service under the most adverse conditions.

Should Study Past Experience

As the organizations of insurance hold their meetings and the members discuss the big issues of the hour, they feel a degree of encouragement over the attitude of those in the industry. There are paths and courses that have been long trod and the signposts point to harmony, good will and profit. There are other crossroads that point in a different direction. Therefore, those engaged in insurance are well aware of

what courses are the safe ones to pursue and what to avoid.

From now on insurance salesmen, agencies, organizations and companies will stand each on his own standards. They will be required to give a good account of themselves. Fortunately, they have signposts which lead to the promised land.

Heretofore, those in the business have probably relied on organizations to keep

them in the right path and point the way. Now it is up to individuals and all engaged in the business to keep these landmarks clear. They must stand up for their associations which have blocked out the paths and roads. It will not be a difficult thing in view of the rich and long experience in insurance to pick out the good from the dross. There is a personal responsibility

resting on all that have an interest in the insurance industry to see to it that the business is conducted along secure and business-like units. The way has been blazed. It is well known. The insurance structure will stand securely and will be stronger than ever if those in the business will simply follow the teachings of the past and avoid the ways that lead to disaster.

Danger of Prejudice

Too often we attempt to reach a correct decision or get a clear picture when our own mind is prejudiced. Prejudice carries a magnifying glass. It makes the issue seem more formidable than it really is. It means that it makes the person more reprehensible than he is.

We have very important questions before us, and we have many grievous problems. We need a clear mind and understanding heart and we need much tolerance. We cannot arrive at a fair judgment when we have a prejudiced eye.

PERSONAL SIDE OF THE BUSINESS

Miss Susan R. Hunt, daughter of George L. Hunt, vice-president of New England Mutual Life, was married to Douglas W. Haward at Wellesley, Mass. She graduated from Dana Hall and attended Connecticut College. Mr. Haward had four years naval service in both the Atlantic and Pacific, and was released with the rank of lieutenant.

Mrs. B. S. Ervin, a past president of the women's division of the Kansas City Life Underwriters Association, was the leader in production for State Life of Indianapolis in August. Only once before in the 52 years of the company's history has a woman producer ranked as leading producer.

George L. Haines, Continental Assurance, president District of Columbia C.L.U. chapter, has been named chairman of the membership drive of the Y.M.C.A. central branch. He is president of the Lions Club.

O. J. Lacy, president of California-Western States Life is on a tour of the eastern Pacific aboard the aircraft carrier USS "Shangri La" upon invitation of Secretary of the Navy Forrestal. He was due to arrive at Pearl Harbor Sept. 14, and while there he plans to visit his company's Hawaiian organization. He is scheduled to return to the mainland early in October aboard the flying ship "Mars."

Albert Burger, chief examiner of the Minnesota department for 10 years, has passed the C.P.A. examination.

When W. E. Barton, treasurer of N. A. L. U., made his report at the National Council meeting in Cleveland, C. Vivian Anderson, Provident Mutual, Cincinnati, said it did not show that Mr. Barton had received the \$1 which the constitution specifies as his annual salary. To rectify that omission, it was formally presented to him at the adjourned election session of the council. He said he would give it to the educational endowment fund.

Frank V. Keesling, president of West Coast Life, has been elected chairman of the investment firm of Blair & Co.

James E. Rutherford, executive vice-president N.A.L.U., will stop off at

Harvard University early in October to visit his son, James W., a freshman in the medical school there. The young Rutherford entered Harvard in February after 2½ years army combat duty in Italy and France.

Dr. John A. Watkins, medical director of Imperial Life of Asheville, suffered several broken ribs in a fall at his home and then contracted pneumonia in the hospital.

Henry C. Coutret, San Antonio general agent of Ohio National Life, is in a hospital there.

Two sons of Louis B. Smith, Equitable Society, president of the Topical Life Underwriters Association, have returned from service and have entered Yale.

Richard L. Evans, district agent for Provident Mutual Life at Wausau, Wis., has been appointed general chairman of the Community Chest campaign there next month. A number of other local insurance company officials and agents are on the various committees and solicitor groups.

Harry Reyner, district manager at Newport News, Va., for Mutual Life has started his sixth term as vice-mayor there. Previously, he had served one term as mayor. He has served 28 years on the city council.

DEATHS

John Neblett, 33-year-old Chicago radio entertainer, who was killed when the plane he was piloting crashed on Tam O'Shanter golf course near Chicago, had appeared before several life insurance audiences. He was a booster for life insurance and life insurance agents. He had been featured at Aetna Life banquets in Chicago for the past two years, being escorted by Al Blum, Aetna Life agent, whose policyholder he was.

A. L. Kramer, 50, of Leigh, N.J., manager of the real estate department of Bankers Life of Lincoln, was found dead in his automobile 12 miles south of David City. He apparently bled to death.

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BOSTON 16, MASS.—80 Boylston St.—Room 1227. Tel. Hubbard 8696. William A. Scanlon, Vice-President.
CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2704. O. E. Schwartz, Associate Manager. L. N. Yellowlees, Advertising Manager.
CINCINNATI 2, OHIO—420 E. Fourth St.

Tel. Parkway 2140. Abner Thorp, Jr., Vice-President. George C. Roeding, Associate Manager; George E. Wohlgemuth, News Editor.
DALLAS 1, TEXAS—802 Wilson Bldg., Tel. Central 5833. Fred B. Humphrey, Southwest Manager.
DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.
DETROIT 26, MICH.—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.
KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Gessing, Resident Manager.
MINNEAPOLIS 2, MINN.—503 Northwestern Bank Bldg., Tel. Bridgeport 7838. R. W. Landstrom, Resident Manager.
NEW YORK 7, N. Y.—99 John St., Room 1103, Tel. Beekman 3-3958. Editorial Dept.—R. B. Mitchell, Eastern Editor; Kenneth O. Force, Associate Editor. Business Dept.—Ralph Richman, Vice-Pres.; J. T. Curtin and W. Smyth, Resident Managers.
PHILADELPHIA 9, PA.—123 S. Broad St., Room 1127. Tel. Pennypacker 3706. E. Fredrikson, Resident Manager.
SAN FRANCISCO 4, CAL.—507-5-9 Flatiron Bldg., Tel. Exbrook 3054. F. W. Bland, Pacific Coast Manager. Guy C. Macdonald, Pacific Coast Editor.

interest is to it the long security the way down. The d secure er if those follow the avoid the

death after accidentally shooting himself in the leg. He had tried in vain to stop the flow of blood with his handkerchief and shirt.

Earle W. Sapp, 56, New England Mutual's general agent in Washington, D. C., who died there after a long period of ill health, had been with New England Mutual for 26 years. He became general agent in Washington in 1931.

John M. Veach, 61, Barberton, O., district manager of Prudential and with the company 35 years, died there.

Lowell T. Boyd, 54, general agent for Equitable Life of Iowa at Kokomo, died on September 12 in Henry Ford Hospital, Detroit, following an operation a week before.

Mr. Boyd was born near Bedford, Ind. He went to Kokomo in 1917 with a cousin, B. W. Boyd, and formed an insurance partnership. Later he became general agent for Equitable Life and held that position 30 years.

He was a trustee of the Main Street Christian church, a director of First National Bank, a past president of Kokomo Rotary Club, a past president of the Kokomo Life Underwriters Assn.

Mo. Tax Exemption in Doubt

JEFFERSON CITY, MO.—Reconsideration of the bill to exempt from taxation low-rent housing projects in St. Louis, Kansas City and St. Joseph, which was defeated last week will be attempted by proponents of the measure if they can drum up sufficient extra votes to assure the necessary constitutional majority of two-thirds.

The bill, enactment of which is necessary to permit the state's three principal cities to qualify for federal aid in connection with the construction of mass housing projects and to attract substantial investment by life companies, failed of passage in the house for the second time after it had been approved by the senate.

Allen May, president of Mutual Savings Life, has been appointed chairman of the speakers' bureau for the St. Louis community chest campaign.

He held the same job last year. Mr. May is chairman of the St. Louis advisory board of the Salvation Army, a chest agency.

C. Vivian Anderson, Provident Mutual, Cincinnati, and **Dr. Ernest H. Hahne**, president Miami University and a general session speaker at the N. A. L. U. convention, Cleveland, flew to Oxford, O., following the close of the meeting, in a chartered plane. Mr. Anderson, a graduate of Miami, is vice-president of the university's board of trustees.



"I SAW YOUR AD. TELL ME HOW I CAN BECOME FINANCIALLY INDEPENDENT."

"Ad" Men's Program Is Shaping Up

Announcement folders and registration cards for the annual meeting of the Life Advertisers Assn., Oct. 24-26, at the Edgewater Beach hotel, Chicago, were mailed to members this week. A special invitation is going to Canadian members.

Registrations are being handled by a committee headed by J. R. Morris, director of sales promotion Business Men's Assurance.

F. J. O'Brien, who is serving as annual meeting secretary. Assisting him are Ed Westcott, Bankers Life of Nebraska, and R. S. Walstrom, Continental Assurance.

Theme of the meeting is "Bringing Our Job into Focus" and there will be a well-rounded but informal type of session with emphasis on new approaches to old, day-to-day problems encountered by the life insurance advertising and sales promotion forces.

To Be Shirt-Sleeves Affair

The program reflects in large measure suggestions made by members, and members will lead the discussions, debates, and informal shop talk which will be a major part of this down-to-earth, shirt-sleeves affair, according to Alan M. Kennedy, Northwestern National Life, general chairman.

There will be a few important talks by leaders within and outside of the business.

Exhibits of new sales-making and good will building material produced by the various companies, always a highlight of these gatherings, will be more prominent than ever this year. Awards will be presented to companies whose promotional material is adjudged best in the various competitive groups. F. J. O'Brien, Franklin Life, is in charge of the competition.

The president's reception will again be the main social event.

Badger Treats Government Bonds

Sherwin C. Badger, financial secretary of New England Mutual Life, will address members of the Savings Banks Assn. of Massachusetts Sept. 19-21, at Swampscott, Mass., on "Government Bonds."



How often have you heard this? "Life insurance is a great business, but it takes so long to get started."

No question about the first part of the statement, but we don't believe the latter. Here's why.

Of the 274 agents on The Union Central's list of leading producers, 20 percent have been under contract less than a year.

What's making it possible for our new agent . . . the "Lad on the Ladder" . . . to climb so rapidly? Well, here are some of the reasons:

★ The Union Central's modern training program, which enables the new agent to gain a thorough background in life insurance and get into production quickly.

★ A sales portfolio which contains contracts to cover every life insurance need for both men and women, from birth to old age.

★ A complete kit of sales aids, which includes scientific prospecting procedures, visual presentations, and specialized closing techniques.

And backing him — to the top rung — is a rapidly expanding Company . . . with more than \$1,250,000,000 of life insurance in force . . . with assets exceeding \$500,000,000 . . . and with 79 years experience in providing Security for America's Families.

THE UNION CENTRAL LIFE INSURANCE COMPANY
CINCINNATI, OHIO

EDITORIAL COMMENT

Maintaining the Sales Perspective

One of the things which made Denis B. Maduro, New York lawyer, popular as a moderator at the recent convention of the Million Dollar Round Table at French Lick, was that he was able to put into words the bewilderment which a number of those present felt whenever the meeting had bogged down on some highly technical and often minute point of law or taxation. More than once, he called for a return from these excursions by asking, "what are you men, anyway, tax experts, financing experts, industrial relations men, or are you really life insurance salesmen as you say you are?" He agreed that the modern life agent has to know something about these fields, but suggested that too much preoccupation with such matters could obscure the fundamental function of the job, which is to sell. He said there is a point beyond which a man can become so enmeshed in legal and tax matters that he is paralyzed as far as sales are concerned.

Mr. Maduro admitted that as a lawyer he is in a profession where "experts on everything" are not uncommon and where many a man weighted down with legal "mumbo-jumbo" gets far off his

course into waters which are intellectual, but non-profitable because they are unpractical at the moment.

The speaker received a good many affirmative nods whenever he touched upon such thoughts and a number of men came up to the rostrum to thank him for, as one producer put it, "keeping the meeting on the track."

It would appear that represented on the Million Dollar Round Table are those men most fitted to couple highly technical legal and tax knowledge with sales, but even they are apparently fearful of losing their balance. The caution would seem to apply with more force to the less experienced man in the business who in his first year or two has so much technical information thrown at him, that he has no time to digest any of it thoroughly. Such a man might follow the example of many of the millionaires who have mastered a phase at a time or who, recognizing human limitations, have tended to specialize early in their careers on one phase alone, leaving themselves enough mental room to retain the perspective which places the emphasis on life insurance selling, the reason for their existence.

Returning to Service

There is evidence now that we are turning to former service bases in a gradual way. All industries in lines of activity have been overwhelmed with orders and business and hence, many of them have been prone to adopt an indifferent and "don't care" attitude. They lost sight of their obligation to the public. This is not true in all cases. There were some institutions that endeavored to keep up as far as possible their regular service. They may have been frustrated from time to time, but they did the best they could. Insurance men, as a rule, while overwhelmed with work and with all the business they could handle, tried

Giving Days

to satisfy customers they had in the past. There were some who neglected their customers in a way. However, those who maintained their service as well as possible will reap the reward. The public has now written the names in large letters the service giving people and institutions during the days when they needed help and realized the difficulties. It will be found that those who did try to do the best they could, and looked after their customers in a reasonable way will now reap their reward. This goes to show that all of us should not forget rendering service under the most adverse conditions.

Should Study Past Experience

As the organizations of insurance hold their meetings and the members discuss the big issues of the hour, they feel a degree of encouragement over the attitude of those in the industry. There are paths and courses that have been long trod and the signposts point to harmony, good will and profit. There are other crossroads that point in a different direction. Therefore, those engaged in insurance are well aware of

what courses are the safe ones to pursue and what to avoid.

From now on insurance salesmen, agencies, organizations and companies will stand each on his own standards. They will be required to give a good account of themselves. Fortunately, they have signposts which lead to the promised land.

Heretofore, those in the business have probably relied on organizations to keep

them in the right path and point the way. Now it is up to individuals and all engaged in the business to keep these landmarks clear. They must stand up for their associations which have blocked out the paths and roads. It will not be a difficult thing in view of the rich and long experience in insurance to pick out the good from the dross. There is a personal responsibility

resting on all that have an interest in the insurance industry to see to it that the business is conducted along secure and business-like units. The way has been blazed. It is well known, the insurance structure will stand securely and will be stronger than ever if those in the business will simply follow the teachings of the past and avoid the ways that lead to disaster.

Danger of Prejudice

Too often we attempt to reach a correct decision or get a clear picture when our own mind is prejudiced. Prejudice carries a magnifying glass. It makes the issue seem more formidable than it really is. It means that it makes the person more reprehensible than he is.

We have very important questions before us, and we have many grievous problems. We need a clear mind and understanding heart and we need much tolerance. We cannot arrive at a fair judgment when we have a prejudiced eye.

PERSONAL SIDE OF THE BUSINESS

Miss Susan R. Hunt, daughter of George L. Hunt, vice-president of New England Mutual Life, was married to Douglas W. Haward at Wellesley, Mass. She graduated from Dana Hall and attended Connecticut College. Mr. Haward had four years naval service in both the Atlantic and Pacific, and was released with the rank of lieutenant.

Mrs. B. S. Ervin, a past president of the women's division of the Kansas City Life Underwriters Association, was the leader in production for State Life of Indianapolis in August. Only once before in the 52 years of the company's history has a woman producer ranked as leading producer.

George L. Haines, Continental Assurance, president District of Columbia C.L.U. chapter, has been named chairman of the membership drive of the Y.M.C.A. central branch. He is president of the Lions Club.

O. J. Lacy, president of California-Western States Life is on a tour of the eastern Pacific aboard the aircraft carrier USS "Shangri La" upon invitation of Secretary of the Navy Forrestal. He was due to arrive at Pearl Harbor Sept. 14, and while there he plans to visit his company's Hawaiian organization. He is scheduled to return to the mainland in October aboard the flying ship "Mars."

Albert Burger, chief examiner of the Minnesota department for 10 years, has passed the C.P.A. examination.

When W. E. Barton, treasurer of N. A. L. U., made his report at the National Council meeting in Cleveland, C. Vivian Anderson, Provident Mutual, Cincinnati, said it did not show that Mr. Barton had received the \$1 which the constitution specifies as his annual salary. To rectify that omission, it was formally presented to him at the adjourned election session of the council. He said he would give it to the educational endowment fund.

Frank V. Keesling, president of West Coast Life, has been elected chairman of the investment firm of Blair & Co.

James E. Rutherford, executive vice-president N.A.L.U., will stop off at

Harvard University early in October to visit his son, James W., a freshman in the medical school there. The young Rutherford entered Harvard in February after 2½ years army combat duty in Italy and France.

Dr. John A. Watkins, medical director of Imperial Life of Asheville, suffered several broken ribs in a fall at his home and then contracted pneumonia in the hospital.

Henry C. Coutret, San Antonio general agent of Ohio National Life, is in a hospital there.

Two sons of Louis B. Smith, Equitable Society, president of the Topeka Life Underwriters Association, have returned from service and have entered Yale.

Richard L. Evans, district agent for Provident Mutual Life at Wausau, Wis., has been appointed general chairman of the Community Chest campaign the next month. A number of other local insurance company officials and agents are on the various committees and solicitor groups.

Harry Reyner, district manager of Newport News, Va., for Mutual Life has started his sixth term as vice-mayor there. Previously, he had served one term as mayor. He has served 28 years on the city council.

DEATHS

John Neblett, 33-year-old Chicago radio entertainer, who was killed when the plane he was piloting crashed at Tam O'Shanter golf course near Chicago, had appeared before several life insurance audiences. He was a booster for life insurance and life insurance agents. He had been featured at Aetna Life banquets in Chicago for the past two years, being escorted by Al Blum, Aetna Life agent, whose policyholder he was.

A. L. Kramer, 50, of Leigh, Neb., manager of the real estate department of Bankers Life of Lincoln, was found dead in his automobile 12 miles south of David City. He apparently bled to

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interest is to it that long secure the way down. The and secure er if those follow the avoid the

death after accidentally shooting himself in the leg. He had tried in vain to stop the flow of blood with his handkerchief and shirt.

Earle W. Sapp, 56, New England Mutual's general agent in Washington, D. C., who died there after a long period of ill health, had been with New England Mutual for 26 years. He became general agent in Washington in 1931.

John M. Veach, 61, Barberton, O., district manager of Prudential and with the company 35 years, died there.

Lowell T. Boyd, 54, general agent for Equitable Life of Iowa at Kokomo, died on September 12 in Henry Ford Hospital, Detroit, following an operation a week before.

Mr. Boyd was born near Bedford, Ind. He went to Kokomo in 1917 with a cousin, B. W. Boyd, and formed an insurance partnership. Later he became general agent for Equitable Life and held that position 30 years.

He was a trustee of the Main Street Christian church, a director of First National Bank, a past president of Kokomo Rotary Club, a past president of the Kokomo Life Underwriters Assn.

Mo. Tax Exemption in Doubt

JEFFERSON CITY, MO.—Reconsideration of the bill to exempt from taxation low-rent housing projects in St. Louis, Kansas City and St. Joseph, which was defeated last week will be attempted by proponents of the measure if they can drum up sufficient extra votes to assure the necessary constitutional majority of two-thirds.

The bill, enactment of which is necessary to permit the state's three principal cities to qualify for federal aid in connection with the construction of mass housing projects and to attract substantial investment by life companies, failed of passage in the house for the second time after it had been approved by the senate.

Allen May, president of Mutual Savings Life, has been appointed chairman of the speakers' bureau for the St. Louis community chest campaign.

He held the same job last year. Mr. May is chairman of the St. Louis advisory board of the Salvation Army, a chest agency.

C. Vivian Anderson, Provident Mutual, Cincinnati, and **Dr. Ernest H. Hahne**, president Miami University and a general session speaker at the N. A. L. U. convention, Cleveland, flew to Oxford, O., following the close of the meeting, in a chartered plane. Mr. Anderson, a graduate of Miami, is vice-president of the university's board of trustees.



"I SAW YOUR AD. TELL ME HOW I CAN BECOME FINANCIALLY INDEPENDENT."

"Ad" Men's Program Is Shaping Up

Announcement folders and registration cards for the annual meeting of the Life Advertisers Assn., Oct. 24-26, at the Edgewater Beach hotel, Chicago, were mailed to members this week. A special invitation is going to Canadian members.

Registrations are being handled by a committee headed by J. R. Morris, director of sales promotion Business Men's Assurance,

who is serving as annual meeting secretary. Assisting him are Ed Westcott, Bankers Life of Nebraska, and R. S. Walstrom, Continental Assurance.

Theme of the meeting is "Bringing Our Job into Focus" and there will be a well-rounded but informal type of session with emphasis on new approaches to old, day-to-day problems encountered by the life insurance advertising and sales promotion forces.

To Be Shirt-Sleeves Affair

The program reflects in large measure suggestions made by members, and members will lead the discussions, debates, and informal shop talk which will be a major part of this down-to-earth, shirt-sleeves affair, according to Alan M. Kennedy, Northwestern National Life, general chairman.

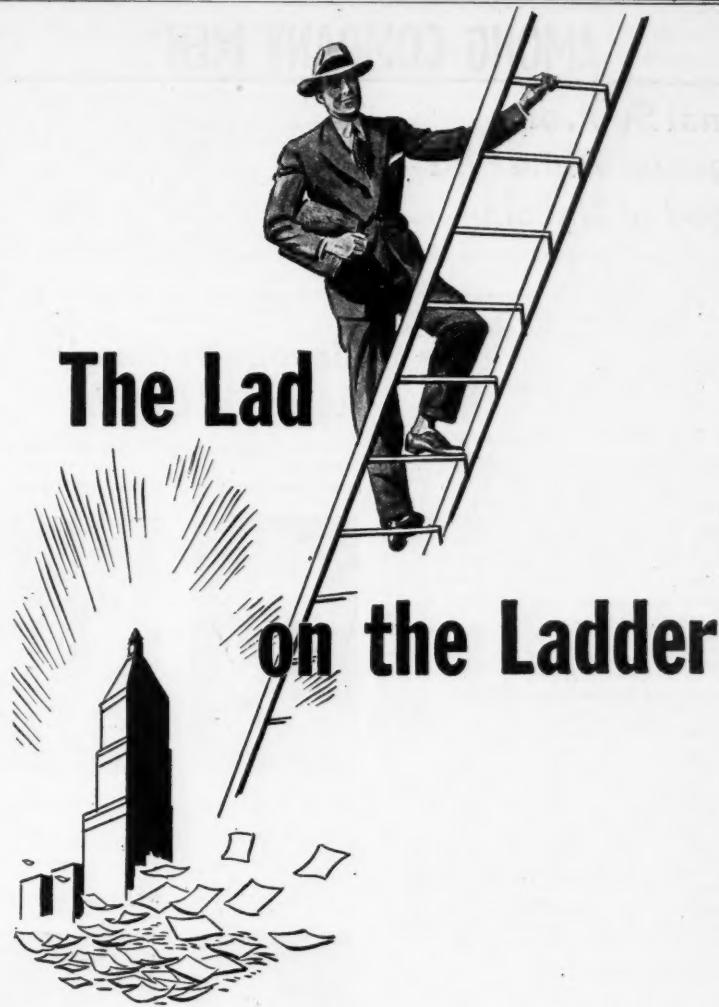
There will be a few important talks by leaders within and outside of the business.

Exhibits of new sales-making and good will building material produced by the various companies, always a highlight of these gatherings, will be more prominent than ever this year. Awards will be presented to companies whose promotional material is adjudged best in the various competitive groups. F. J. O'Brien, Franklin Life, is in charge of the competition.

The president's reception will again be the main social event.

Badger Treats Government Bonds

Sherwin C. Badger, financial secretary of New England Mutual Life, will address members of the Savings Banks Assn. of Massachusetts Sept. 19-21, at Swampscott, Mass., on "Government Bonds."



How often have you heard this? "Life insurance is a great business, but it takes so long to get started."

No question about the first part of the statement, but we don't believe the latter. Here's why.

Of the 274 agents on The Union Central's list of leading producers, 20 percent have been under contract less than a year.

What's making it possible for our new agent . . . the "Lad on the Ladder" . . . to climb so rapidly? Well, here are some of the reasons:

- ★ The Union Central's modern training program, which enables the new agent to gain a thorough background in life insurance and get into production quickly.
- ★ A sales portfolio which contains contracts to cover every life insurance need for both men and women, from birth to old age.
- ★ A complete kit of sales aids, which includes scientific prospecting procedures, visual presentations, and specialized closing techniques.

And backing him — to the top rung — is a rapidly expanding Company . . . with more than \$1,250,000,000 of life insurance in force . . . with assets exceeding \$500,000,000 . . . and with 79 years experience in providing Security for America's Families.

THE UNION CENTRAL LIFE INSURANCE COMPANY
CINCINNATI, OHIO

AMONG COMPANY MEN

Brudi Supt. of Agents; White "Ad" Head of Lincoln

W. C. Brudi, formerly agency auditor, has been appointed superintendent of agencies of Lincoln National Life. J. P. White, advertising department, has been appointed advertising manager. L. A. Roehling, D. F. Vordermark, and S. L. Scholer, formerly agency correspondents, have been appointed agency department divisional supervisors.

Now Has Four Superintendents

Mr. Brudi joined Lincoln National in 1923 as a member of the auditing department. In 1927 he became assistant agency auditor, and was named agency auditor in 1933. His appointment brings to four the number of superintendents of agencies. F. W. Gale is covering the western portion of the country; A. H. Hammond, the eastern and southern portions, and J. L. Lawrence, Texas and New Mexico. Mr. Brudi's duties will be confined largely to the central portion and to the home office.

Mr. White joined Lincoln National in 1935 in the advertising department. He served as associate editor of "The Emancipator," and edited the home office magazine, "Life With The Lincoln," before entering the army in 1943.

Mr. Roehling joined Lincoln National in 1917 in the accounting department. He was transferred to the agency department in 1924 as an agency correspondent. As a divisional supervisor he will head the division handling branch office affairs and agents' supplies.

Others' Experience

Mr. Vordermark joined Lincoln National in 1929 as an agency correspondent. He served in the army air force 3½ years and attained the rank of major.

Mr. Scholer became associated with Lincoln National in 1924 as a member of the accounting department. He was transferred to the agency department last March.

Schwartz Heads Occidental Pension Trust Division

The agency department of Occidental Life has set up a special sales division to administer all pension trust business in charge of Joseph Schwartz, who for three years has been collaborating with the actuarial department in developing pension trust plans.

Mr. Schwartz joined Occidental in 1943 as a pension-trust representative. Six months later he was promoted to

supervisor. After graduation from the University of New Hampshire in 1932, he was with John Hancock and Union Central as an agent. From 1937 to 1939 he was general agent of Union Mutual at Portsmouth, N. H., and then general agent for the state of New Jersey. In 1941 he moved to California as general agent of Columbian National Life in San Diego, and the next year became its general agent in Los Angeles.

Lincoln National Actuarial Chiefs

In the new actuarial setup of Lincoln National Life, C. R. Ashman becomes actuary of the group department; Henry



G. M. Bryce



C. R. Ashman

F. Rood, actuary of the ordinary department, and G. M. Bryce is named associate actuary.

S. C. Kattell, secretary of Lincoln Na-



Henry F. Rood



S. C. Kattell

tional, becomes head of a new department devoted to supplementary contract matters.

Hahn Sales Promotion Aid

Erwin W. Hahn, who served as a public relations officer on the staff of the late General George S. Patton has been appointed sales promotion assist-

ant in the field management department of Metropolitan Life.

Acquisition Director Resigns

Ivan Notbohm, acquisition director of Iowa Life and Iowa Farm Mutual, both operated by the Iowa Farm Bureau Federation, has resigned. Wilbur Chandler, former county extension director, will take over the post.

Griffiths to Reliance Life

Harry D. Griffiths, mortgage loan appraiser of Prudential in Cleveland for 13 years, has become manager of the mortgage loan department of Reliance Life at the home office.

To Mutual Life Home Office

Ryland N. Hughes, who has been assistant cashier in the Newark agency of Mutual Life since 1942 has gone to the home office in the agency department.

CHANGES

Sidney L. Hooper Group Aid to Nunnelley at Nashville

The appointment of Sidney L. Hooper as group supervisor of the Nashville agency of Massachusetts Mutual Life is announced by H. Martin Nunnelley, general agent.

Mr. Hooper, who was recently released to inactive duty as a navy lieutenant, is a graduate of David Lipscomb and Harding colleges. He served as communications officer attached to the 14th naval district at Pearl Harbor. While stationed in Hawaii he was chairman of "Tennessee Reunion in Hawaii" in which more than 5,000 members of the armed forces from Tennessee participated.

He is attending a three weeks' training course at the home office and will return to Nashville Oct. 7.

Sterling Names Lonnlon General Agent at Chicago

The Ray Lonnlon Agency, Chicago, has been appointed general agent for Sterling, specializing in health and accident, life and hospitalization.

Mr. Lonnlon was with the Illinois department from 1933 until 1942, when he became secretary and treasurer of Guarantee Trust Life of Chicago. Previously he had production experience.

Missouri Names Sports Figure Manager in Central Illinois

Forrest Peters has been appointed state manager for central Illinois by Missouri Ins. Co., with headquarters at Champaign-Urbana. He will combine

personal production with agency development. Mr. Peters was recently discharged from the AAF with which he served in the Mediterranean theater. He was an All-American football star in 1930, gaining fame for his prowess as a drop-kicker for the University of Illinois. He spent seven years in professional football and baseball, and when he resigned this summer from the American Association, he was that league's oldest umpire in length of service.

Altschul Is Bronx Aid

Milton Altschul, an army veteran, has been named assistant manager of the Bronx ordinary agency of Prudential. He was an insurance man for 11 years prior to the war. The agency of which E. B. Eichengreen is manager is located at 529 Courtland avenue, New York.

E. E. Smiley is Texas Chief

Direction of Texas activities of Continental Casualty-Continental Assurance has been assigned to Edward E. Smiley, resident vice-president. William H. Hamilton serves as Texas state supervisor of Continental Assurance.

Menges St. Louis Manager

J. F. Menges, Jr., formerly with Mutual Life, has been appointed by American National as St. Louis manager with offices at 921 Boatmen's National Bank building.

Mr. Menges has qualified each of the past 11 years for the top production club in his former connection and was, in 1945, vice-president of the west central division by virtue of the volume of his paid business.

Freebairn Aid to Moore

W. Earl Freebairn, formerly at Salt Lake City, has been named assistant manager under W. C. Moore of Equitable Society at Great Falls, Mont. An editor before going into insurance, he has been with the Salt Lake agency 21 years.

U. S. Life New Buffalo Manager

Donald C. Mitchell has been named Buffalo manager of United States Life. Discharged from the service in 1944, he joined United States Life as general agent at Buffalo, becoming one of the youngest in the country to hold such a position. He is a native of Buffalo, well known as a public speaker.

Controllers Groups Elect

The Seattle Control of Controllers Institute of America has elected Gordon R. Bingham of Northern Life as vice-president.

A. D. Harder, assistant secretary and auditor of Southwest Life, has been elected secretary and director of the Dallas Control.

THE CASE OF THE SKEPTICAL WIFE by GUARDIAN LIFE

THE ADVENTURES OF JOHNNY GRAPH-ESTATE

THAT'S ENOUGH! I JUST WON'T HAVE YOU SPENDING ANOTHER CENT ON INSURANCE.

Some wives are like that—but see what happens after Johnny Graph-Estate moves in and gets busy.

THAT'S HOW IT IS, MY BOY—SHE'S ADAMANT.

HERE'S MY CHANCE.

MOVE THIS GADGET DOWN—AND YOU CAN SEE YOUR PROBLEM FOR YOURSELF.

WELL, I'LL BE—

No matter how stubborn they are, Johnny Graph-Estate never hesitates to leap right in.

That's the master stroke in Johnny Graph-Estate's technique: he makes the prospect do the job himself.

ACCIDENT AND HEALTH

National A. & H. Assn. Annual Meet to Swampscott

The executive board of the National Association of Accident & Health Underwriters, meeting in Cleveland, decided that the 1947 annual meeting will be held at Swampscott, Mass., the week of June 23, with the Boston association as host.

Plans for the mid-winter meeting at Miami Beach as outlined by G. A. Crutchfield, Professional Insurance Corp., Jacksonville, a board member, were approved with some minor modifications. Mr. Crutchfield announced that the newly formed Florida association now has 150 members and is expected to have 250 by the time of the mid-year meeting in January.

It was decided to dissolve the old Purdue advisory committee and replace it with a joint committee of 12, to include six members from the National association and six from the Health & Accident Underwriters Conference. This change was made so that the new committee can supervise, in addition to the courses at Purdue, those at the University of California at Los Angeles and others which are expected to be established in the near future.

The committee on constitution and by-laws, headed by J. H. Garneau, Hartford Accident, Hartford, was authorized to prepare a complete revision of the constitution in time for presentation to the executive board at the time of the Miami Beach meeting. If approved by the board at that time it probably will be voted on by the National council at the June meeting.

The question of revision was first brought up in a desire to clarify the question of proxies, which caused so much discussion at the Denver convention. The board ruled that there is no provision for proxy voting in the constitution as it now stands.

Conner Ass't Secretary

NEW YORK—James A. Conner, Jr., has been named assistant secretary of the Bureau of Personal Accident & Health Underwriters. Mr. Conner, a graduate in economics of the University of Pennsylvania, joined the staff in April upon release from the armed forces. Besides his new duties he continues work on revision of the occupational classification manual.

Mr. Conner's advancement is occasioned by the retirement of Ralph M. Brann as secretary-treasurer last June.

Program for A. & H. Bureau Meeting Sept. 30 Given

NEW YORK—Dr. A. Allison Wills, assistant medical director of Travelers, will address the annual meeting of the Bureau of Personal Accident & Health Underwriters to be held at Heaton Hall, Stockbridge, Mass., Sept. 30-Oct. 2. The subject of his talk will be announced later.

The opening session, Monday afternoon, will feature remarks by Commissioner Harrington of Massachusetts and a talk by the chairman, Ray L. Hills, secretary of Great American. There will also be a report by the bureau's manager, J. F. Follmann, Jr.

At the morning session, Oct. 1, Dr. Wills is to talk, and reports will be made by the committees on underwriting, insurance departments, and regulatory legislation. In the afternoon, Lee M. Willson, secretary of Century Indemnity, will conduct an underwriting forum based on questions for discussion proposed in advance by companies.

The meeting will close with a morning business session Oct. 2 at which the governing and auditing committees will be elected, and several committees will report.

National A. & H. Assn. Officers Guests at Cleveland Luncheon

The Cleveland Assn. of Accident and Health Underwriters resumed its series of monthly luncheons at the Hollenden hotel with 75 present. The executive board of the National Assn. of Accident and Health Underwriters, who were currently meeting in Cleveland, were guests and R. J. Costigan, chairman; E. F. Gregory, second vice-president, and O. J. Breidenbaugh, executive secretary, were speakers. Plans are underway for the annual clambake.

Tooley L. A. Forum Speaker

Clarence H. Tookey, chief actuary of Occidental Life, spoke before the Insurance Forum of Los Angeles on practical problems confronting insurance in its adjustment to the disability benefits amendment to the California unemployment insurance act. Since the new plan will be effective Dec. 1, Mr. Tookey urged serious consideration of the provisions now. He pointed out that only voluntary plans which are superior to the state plan would be permitted as an alternative. No insurance company, he

feels, can underwrite such a superior plan unless the employer contributes 25% or more of the premium.

John Davidson of Joy & Davidson, brokers, was installed as the new president of the forum.

LIFE SALES MEETINGS

Fidelity Mutual Meet in Canada

Sidney Rice of Indianapolis won the President's trophy of Fidelity Mutual in a race with three other close contenders and was presented the award at the Leaders Club four-day convention at Murray Bay, Can. He was designated the agent whose volume and persistency of business were best in the club year. He also won it once previously.

Awards for continuous weekly production throughout the club year were made by J. H. Brennan, Chicago manager, to 22 of the leaders, headed by Y. C. Calvert, Columbia, S. C., with 675 consecutive weeks. Runner-up was Mr. Rice with 656 weeks. Mrs. H. B. Coble, Harrisburg, was the only woman included.

The "Fidelity Regulars," made up of those who attain a paid volume of \$10,000 or more in each of three or more consecutive months, had 27 members. G. A. Hatzes, Washington, D. C., and Harold Hayes, Camden, tied for first with 78 consecutive months each, and six others had 70 weeks or more. The awards were made by W. J. Cummins, Philadelphia.

Runner-up for the President's trophy was C. K. Gordy, New Haven, winner last year, who also has two legs on the trophy; third was R. W. Campbell, Altoona, and G. I. Buck, Seattle, was fourth. C. H. Jones, Columbia, S. C., made the presentation.

A contest for best five-minute talk on an insurance topic of their own selection was won by D. C. McCune, Pittsburgh, his topic being "Selling School Teachers."

Fidelity C.L.U.'s Meet

A breakfast was held for Fidelity C.L.U.'s and candidates, including all who have successfully completed any of the examinations. New members were introduced by E. H. Schaeffer, Harrisburg, president Fidelity C.L.U. Association. C. L. Pontius, vice-president and manager of agencies, gave a talk.

A luncheon for women agents was held, with Miss Viola Schnitzer, Cincinnati, in charge, and a tea and bridge for all the women. There also was a banquet and entertainment with C. B. Metheny, Pittsburgh, as master-of-ceremonies, and a golf tournament for men and sports for ladies. A costume dance was another social feature.

H. N. Lyon, manager at San Francisco, gave a talk on "The V Years." War teaches a number of important lessons, he said. Mr. Lyon, a graduate of Annapolis who has been with Fidelity Mutual except for war service as a lieutenant colonel in the marine corps on Tarawa, Tinian and in other Pacific islands invasions, said everything is wholesale in war—death, suffering, discomfort and work. War teaches the value of time. Another lesson he learned was the destructiveness of inflation, the dangers inherent in unbalanced budget and worthless money. Mr. Lyon said the agents can help in restoring the country to a sound economy by staying close to fundamentals in their immediate circle. The country, he said, is at a crossroads. The life agents can help by "soaking up the great flood of free money today and channeling it into the reservoirs of life insurance." He urged getting the government out of the charity business and reducing the public debt.

Paul Clark at Indianapolis

Paul F. Clark, president of John Hancock, was a guest at a meeting of the Dan W. Flickinger agency in Indianapolis. Other guests were Edwin R. Erickson, general agent at Buffalo;

Robert B. Pitcher, leading producer at Boston, and Walter B. Lichtenstein of Indianapolis, all qualifying members of the Million Dollar Round Table.

Reno Agency Conference Held at Lake Wawasee

An ambitious program featured the annual educational conference and outing held at Lake Wawasee, Ind., by the R. R. Reno agency of Equitable Society, Chicago.

Among the speakers were John J. Mallon, division group manager, Chicago, on "Today's Market for Group Insurance"; Thomas J. Murray, sales supervisor for Illinois and Wisconsin of Equitable's insured home ownership mortgage plan; Hilbert Rust, vice-president R. & R. Service, Indianapolis, "Business Insurance"; Samuel Lustgarten, manager of Equitable in Chicago, representing the company at the banquet, "Opportunity for Life Insurance Selling Today."

Roland D. Hinkle, assistant manager with Mr. Reno and newly elected president American Society of C.L.U., spoke on "Opportunity for Selling Life Insurance to Supplement Social Security." Mr. Reno was host and at the conclusion of the three-day session summed up the talks.

Dean Agency Sales Meeting

The Cecil K. Dean agency of Bankers Life of Nebraska held an agency meeting in Wichita. W. E. Price, chief underwriter, and Ralph Arehart, agency supervisor, attended from the home office.

Barns at Wichita Rally

Verne Barns, director of field training of Kansas City Life, had charge of a sales conference of the Orville R. Eby agency at Wichita. Dr. J. E. Bee, medical director, and Bush Hensley of the home office assisted.

Mutual Life Southerners Confer

The conference brought seven managers and 15 assistant managers of Mutual Life from the south gathered at Memphis for a conference with head office men. Subjects covered were selection and training of new men, compensation plans, underwriting in the field, new plans to meet current problems, and the recent changes in the NSLI act.

D. D. Briggs, superintendent of agencies, and Ward Phelps, director of training, led the discussion periods.

THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

*Insures
The Whole Family*

Unity agents are equipped to serve every need for personal insurance. Juvenile policies our specialty.

E. R. DEMING
President

L. J. BAYLEY
Secretary

HOME OFFICE—SYRACUSE, N. Y.

Insurance Company of America



Johnny Graph-Estate is a one-company man: he works exclusively for representatives of GUARDIAN LIFE.



Graph-Estate is one of the big reasons why GUARDIAN people are going places so fast in 1946.

NEWS ABOUT LIFE POLICIES

New Western & Southern Rates and Benefits Show

Samples of the new, increased ordinary rates of Western & Southern Life as reported last week, are shown here-with together with rates for the new double protection plan:

Age	Commercial Whole Life	20 Year Endowment	20 Payment Life	Endowment 65	Double Protection	10 Year Benefit	20 Year
15	13.46	14.07	23.92	46.16	16.48	5.39	5.66
20	14.96	15.70	25.78	46.38	18.80	5.39	5.66
25	16.70	17.75	28.06	46.60	21.99	5.56	6.34
30	19.14	20.35	30.82	46.93	26.19	6.18	7.71
35	22.26	23.69	34.21	47.57	31.83	7.56	10.12
40	26.57	28.34	38.33	49.15	39.93	9.96	13.92
45	32.24	34.41	43.61	51.64	... 13.79	19.82	19.55
50	39.68	42.11	49.88	55.51	... 28.47	... 28.47	... 28.47
55	49.19	52.12	57.56	61.34	... 28.47	... 28.47	... 28.47
60	61.91	65.56	68.43	70.40	... 28.47	... 28.47	... 28.47

The weekly premium benefits in the industrial department have been decreased.

The amounts of insurance purchased by each \$c of weekly premium, under the new schedule follow:

Age	Whole Life	20 Paid-Up	20 Payment	30 Year Endowment
15	126	76	66	66
20	109	69	65	65
25	95	63	63	63
30	82	57	60	60
35	70	52	57	57
40	59	46	52	52
45	48	41	46	46
50	39	35	... 35	... 35
55	30	... 30	... 30	... 30
60	23	... 23	... 23	... 23

Colonial Life Has New Form

Colonial Life has brought out a new weekly premium whole life policy paid up at age 75. The minimum policy is \$500 and it may be had in amounts of \$600, \$700, \$800 and \$900. It is issued at ages 20 to 64 inclusive. It contains additional benefits for loss of eyesight, of limbs and death by accidental means, without a specific additional premium charge. The usual non-forfeiture values are available after premiums have been paid for three full years. It was de-

signed to provide a larger amount of coverage at a low premium rate.

Rockford Life Has New Form

Rockford Life has announced a new policy, juvenile 20 payment endowment at age 0 is \$21.59; 5, \$20.87; 9, \$21.46, age 5 as a companion to the adult 20 pay endowment at 65. Annual premium at age 0 is \$21.59; 5, \$20.87; 9, \$21.46. For an extra annual premium the policy will provide for waiver of premiums in event of death or disability of original beneficiary.

Issues Paid Up at 75 Contract

Colonial Life now is issuing an industrial life paid up at 75 contract, which is of standard form and like others issued by the company includes additional benefits for loss of eyesight or limbs and death by accidental means, without additional charge. The policy contains the usual non-forfeiture benefits with extended insurance automatic in event of lapse after three years' premiums have been paid. The minimum amount issued will be \$500.

Trail Blazers

It is believed that the coupon annuity contract of Travelers, first issued in 1884, and which provided for maturity in 20 annual instalments beginning at age 60, was the first contract to provide an old age income. Travelers was the first company (1906) to write substandard life insurance by means of a special table in which the mortality is a certain percentage of the standard table.

In 1916 Travelers introduced the salary allotment plan and in 1917, employee life insurance under conditions not falling within the scope of group insurance. It was the first company, in 1919, to make an actuarial study of aviation fatality rates and in the same year announced life insurance for aviators at an extra premium.

In 1920 it introduced a form of application for life insurance which permits the company to make obvious minor corrections in the application without the

delay of requiring applicant to make out a complete new form. Travelers introduced (1921) the life insurance binder permitting the agent to bind the company for an additional policy within certain limitations.

It was the first company (1927) to announce that it would charge no extra premium by reason of the use of airline transportation by businessmen, regardless of the amount of such travel. And, to conclude this long list of "firsts", Travelers, in 1945, was the first company to extend the additional indemnity provision so as to cover passenger transportation in all kinds of aircraft, not merely in scheduled aircraft.

the veterans administration discussed the proposed training program for veterans. The association decided to become co-sponsor of an educational program, such as class work and instruction along life insurance lines. President Syphus named a committee to cooperate with the board of education and VA to formulate a program.

Hold International Parley

Life managers and general agents of Seattle, Wash., Victoria and Vancouver, B. C., will meet in Victoria Oct. 11 for their annual international exchange of ideas.

C. L. U.

Dunkak San Francisco Chief

William H. Dunkak, manager of Acacia Mutual Life, has been elected president of the San Francisco C.L.U. chapter. E. E. Keller, Reliance Life, is vice-president; Hugh Davy, Home Life, treasurer, and James V. Lawry, Northwestern Mutual, secretary. Mr. Keller will represent the C.L.U. section on the official board of the San Francisco Life Underwriters Association as a vice-president of that body.

Estate Analysis Okla. Topic

Edwin W. Burch, Oklahoma City attorney, will speak on "State Analysis" at the first fall meeting of the Oklahoma C.L.U. chapter.

Jacobson D. of C. Speaker

Nathan S. Jacobson, district manager of Reliance Life, addressed a dinner meeting of the District of Columbia C.L.U. on "The Use of Settlement Agreements in Estate Planning."

Two Seattle C.L.U. Classes

Two classes will be conducted this year by the Seattle C.L.U. chapter. George L. Buck will lead a course on life insurance fundamentals, economic and social functions, and principles and practices. The second course, on law, trusts and taxes, will be conducted by Earle W. Zinn, Jr., attorney, son of the late Earle Zinn, general agent for Northwestern National Life in Seattle.

CHICAGO

NORTHERN LIFE ACTIVITIES

W. Irving Morgan, executive vice-president of Northern Life of Seattle, has been in Chicago for several days assisting A. Linus Pearson, to get established as home office representative for the central states with headquarters at Chicago. Mr. Pearson was recently appointed assistant vice-president. He has been the leading producer of Northern Life and has just returned from attending the Million Dollar Round Table meeting at French Lick and the N.A.L.U. convention at Cleveland.

Northern Life has just entered Illinois and Indiana and is completing arrangements to enter Ohio. Its other midwestern states are Missouri, Iowa, Minnesota, Kansas and Nebraska. A superintendent of agents will be appointed for the territory and Mr. Pearson will assist him in getting under way. Mr. Pearson expects to be in Chicago much of the time for the next two or three years.

Mr. Pearson has been a personal pro-

WANTED

IBM Machine Room Supervisor or person with ability to be trained for machine room supervisor. Preferably, with life insurance company experience. Home Office Pacific Coast company. Fine opportunity. All replies will be kept confidential. Address H-65, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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FIELD BUILDING
ILLINOIS

"As Faithful as Old Faithful"

ILLINOIS' OUTSTANDING MUTUAL NET LEVEL PREMIUM RESERVE COMPANY. OPERATES EAST AND WEST.

FORTY-ONE YEARS OF CONTINUOUS MANAGEMENT AND PROGRESS.

STARTED FROM SCRATCH IN 1905 IN ONE SMALL ROOM ON CHICAGO'S LA SALLE STREET — IN THE SAME BLOCK AS ITS PRESENT HOME OFFICE. THIS IS WHAT HAPPENED:

End of Year	Assets	Surplus
1905	\$ 446,220	\$ 337,384
1915	2,110,281	554,121
1925	15,111,293	733,988
1935	35,053,788	2,531,507
1945	77,907,740	6,408,287

INSURANCE IN FORCE: (JULY, 1946) \$291,993,599

Nothing Better in Life Insurance

ducer at Seattle for the past eight years and prior to that was in the underwriting department. Altogether he has been with Northern Life 20 years. He is president of the Tower Club, which is the leading production organization of Northern Life. He just nosed out for that position, Russell Goodwin, who is also a million dollar producer.

Mr. Goodwin has been in the business just two years. He hit the million dollar stride his first year and repeated that performance the second year. His business consists largely of 5's and 10's. His largest case was \$70,000. None of his production consisted of group insurance or came via the pension trust route. He was previously a securities salesman. He is first vice-president of the Tower Club.

Second vice-president of that club is Clyde W. Goodwin, brother of the first vice-president. He also is a second year life insurance man. In his first year in the business, his production reached \$500,000 and in his second year, he was in the \$750,000 range.

INSURANCE CREDIT LECTURES

A series of insurance lectures has been scheduled by the insurance committee of the Chicago Assn. of Credit Men, one of which pertains to life insurance. That will be held Nov. 4, the topic being "Life Coverage Affecting Business," speakers being John J. Flanagan and Frank Griffin of Marsh & McLennan.

GOLDMAN AGENCY HAS LUNCHEON

The full-time agents of the A. Van Goldman ordinary agency of Prudential in Chicago held their first meeting of the fall season at a luncheon. Manager Goldman announced agency results this year, which showed 32% ahead on paid-for basis to date over 1945 production and that all allotments for 1946 had been attained. Vere Pennell, manager Chicago Prudential group office, gave a talk on solicitation of group insurance and allied lines, and Q. L. Ching, mil-

lion dollar producer, spoke on selective prospecting and increasing the average sale. Assistant Manager Don K. Alford spoke on Treasury decision 5515 and the shrinking rental value of the dollar; Assistant Manager M. B. Bay on the minimum income sales talk, Assistant Manager Martin J. Bowens on the importance of conservation and Agency Assistant A. D. Rosenthal on selling the sole proprietor.

LEACH NAMED ACCOUNTING HEAD

Richard W. Leach has been appointed in charge of the accounting department of the Moore, Case, Lyman & Hubbard general agency of John Hancock Mutual Life in Chicago. He is a native of Philadelphia who attended Swarthmore College and studied accounting and business administration at Case Institute. He was in accounting work with Commercial Credit Corp. in New York City, then with S. W. Doty, Inc., in Chicago, becoming office manager, and also with the Dodge Chicago plant of Chrysler Corp. as property auditor, and with Henry Newgard & Co. in the Bell & Howell Co. plant in Lincolnwood, Ill.

BERNSTEIN SETS RECORD

Milton M. Bernstein, central branch of Chicago, is the first agent in the history of the Chicago department of New York Life, to qualify as a life member of the Million Dollar Round Table. He has been 2 years in the Chicago office.

TESTIMONIAL FOR WIESE

More than 70 members and their wives from the Chicago agencies of Northwestern National Life attended a luncheon for Raymond J. Wiese, Chicago manager, on his 25th anniversary.

Mr. Wiese, a graduate of Iowa State college and president of the school's alumni association, started at Davenport as a personal producer and later as general agent for State Mutual Life. In 1929 he moved to Chicago where he developed from scratch a substantial agency for State Mutual. In 1939 he became manager of a Northwestern National agency at Chicago.

In 1944 he was named head of the newly-created Chicago branch, which has overall direction of the Chicago metropolitan area.

Albert Zern, who heads one of the Chicago agencies, presided at the testimonial luncheon. W. F. Grantes, agency director, and Carl A. Peterson, supervisor of agencies, represented the home office.

NEW YORK

JUNIOR ACTUARIES MEET SEPT. 25

Charles J. Zimmerman, director of institutional relations, L.I.A.M.A., will speak on "Post-war Developments in Life Insurance Marketing" at the next meeting of the junior branch of the Actuaries Club of New York, 6:30 p.m., Sept. 25 at the Building Trades Employers Assn., 2 Park avenue.

The junior branch is made up of associates of the Actuarial Society and American Institute of Actuaries and those who have been fellows of either organization for less than seven years. J. Henry Smith, assistant actuary Equitable Society, is in charge of programs for the coming year.

PRUDENTIAL TAKES IBM ISSUE

Prudential has purchased \$30 million of 12 year 2 1/4% debentures of International Business Machines in a private sale. The funds are to retire \$17 million of 2 1/4% debentures due in 1951 and to increase working capital.

PARTY FOR PHILIP HOBBS

Philip B. Hobbs, new president of the National Assn. of Life Underwriters, will be guest of honor at a cocktail party which Theodore M. Riehle, general agent of Equitable Society at New York and past president of N.A.L.U., is giving at the Ritz-Carlton hotel, New York,

Sept. 25. Mr. Hobbs is manager for Equitable Society in Chicago.

LIFE MANAGERS GOLF OUTING

A golf outing will be held by the Life Managers' Assn. of Greater New York Sept. 26 at the North Hills Golf Club, Long Island. George Avery White, president of State Mutual, will be guest of honor. Numerous prizes have been put up.

an all-time record for August and exceeding any previous August by more than \$2 million.

Paid business for the eight months totals \$58,670,031, 32.4% better than for the same period in 1945 and exceeding the best previous record by more than \$9 million.

The insurance in force increase for August was 124.3% ahead of August, 1945, which is more than twice as large as any previous August.

For the first eight months the insurance in force increased \$42,209,236, 40% over the same period last year and an increase of 25% more than for any similar period in history.

Franklin Life—New business since Jan. 1 has passed the \$100 million mark. In the first eight months of 1945 production recorded was only \$46,459,000; this year's figure reflecting an increase of 114%. Net paid business represents a figure also more than double that of last year.

Assets are expected to reach \$90,000,000 next month. Mortality is below last year's figure, running slightly under 40% currently. Total premium income in the past eight months was \$14,776,000 as compared to \$7,820,000 in 1945, a gain of 88.8%.

Berkshire Life—Paid business for August increased 54% over August, 1945. Paid life insurance for the first eight months of 1946 increased 29.5% over corresponding period of 1945. The company has had 42 consecutive months of increased production over corresponding months of previous years.

Bankers Life of Iowa

—Insurance paid for during August exceeded \$12,840,000, of which more than \$11,640,000 was ordinary. This was more than twice the volume of ordinary paid for in the same month last year, an increase in excess of \$6,150,000. Total ordinary and group insurance written in the first eight months amounted to more than \$96,540,000, for an increase over the same period last year of nearly \$18,290,000.

Insurance in force at the end of August stood at \$1,101,315,000, an increase of more than \$76,240,000 for the year to date.

State Mutual Life—Paid business for August amounted to \$7,616,337, a gain of 75.3% over August of last year, setting

36 field tested ways of prospecting are effectively presented in *Doorways to Prospects* by Cagan. \$2.00 from THE NATIONAL UNDERWRITER.

RECORDS

Great Lakes—August written business of \$768,759 was 243% of the previous record month. Paid for volume was \$317,000 or 176% of previous all time high. Premium income was 109% of former record month.

Berkshire Life—Paid business for August increased 54% over August, 1945. Paid life insurance for the first eight months of 1946 increased 29.5% over corresponding period of 1945. The company has had 42 consecutive months of increased production over corresponding months of previous years.

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Congratulations

to the five Mutual Benefit men who completed their
C. L. U. examinations this year:

RALPH W. LILLEY..... Harrisburg, Pa.

J. GORTON MILLIKEN..... Fenton, Mich.

JOHN W. MUSICK..... Norfolk, Va.

HAROLD W. STORER..... Chicago, Ill.

S. G. WILLIAMSON JR..... Providence, R. I.

Your increased knowledge and prestige is sure to be
reflected profitably in your business



The Mutual Benefit Life Insurance Company

Newark, New Jersey

Opportunities of the Month

GENERAL AGENCIES

in
S. Dakota

SIOUX FALLS
RAPID CITY
BISMARCK

LIBERAL COMMISSIONS OFFICE ALLOWANCES
DEVELOPMENT FUNDS PERSISTENCY BONUSES
ORGANIZATION ALLOWANCES

Write Harry S. McConachie Vice President

American Mutual Life Insurance Company
FOUNDED 1851 IN IOWA
Des Moines, Iowa

NEWS OF LIFE ASSOCIATIONS

Chicago C.L.U. Movement to Be Advanced at Luncheon

Impetus will be given to the C.L.U. movement in Chicago at the joint luncheon meeting Sept. 25 of the Chicago Association of Life Underwriters and Chicago C.L.U. chapter by seating a C.L.U. at each table to discuss the C.L.U. review classes which are to be started Oct. 1 at the downtown business school campus of Northwestern University.

Five examinations covering section A on life insurance fundamentals, B on general education, C on law, trusts and taxes, D on finance, and E on comprehensive are offered. Examinations by the American College will be held in June. There has been a preliminary enrollment of 46 in section A prior to sending out official notice of the classes and registration form.

Eleven Chicagoans passed the last examinations, Irving Ackerman, Metropolitan; R. G. Evans, Great-West; J. R. Gallagher, Metropolitan; B. A. Gorn, Prudential; Frank Levenson, New York Life; J. D. Martin, Equitable Society; R. P. Marzano, Metropolitan; Alan Rosenthal, Prudential; Milton Perlman, Home Life; H. W. Storer, Mutual Benefit, and C. N. Fuller, Connecticut Mutual.

P. W. Cook, Mutual Benefit, president Chicago association, and Eugene Rappaport, Pacific Mutual, president Chicago C.L.U. chapter, will preside jointly.

James Elton Bragg of the Doremus-Bragg agency of Guardian Life, New York, will speak on "The Human Factor in Selling Life Insurance."

Quality awards will be presented to 126 members.

Apologetic Manner Decried by Jackson in Talk

SAN ANTONIO—Life agents should not be apologetic in offering the service of life insurance, for there never has been a time when the public has been readier to recognize the value and stability of life insurance, W. W. Jackson, executive vice-president American Hospital & Life, told a luncheon meeting of the San Antonio Association of Life Underwriters. Agents who are apologetic lack appreciation of the value of life insurance, he said. Selling life insurance is a calling equal in humanitarian values to that rendered by the ministry, medical profession, ethical lawyers or the social workers, Mr. Jackson said, and the agent is entitled to receive a legitimate profit from his profession.

Only 4% of sales resistance is due to lack of confidence of people in life insurance, he commented. The saturation point has not been reached, and will not be so long as there are births and deaths. Life insurance is the last

line of defense for private enterprise, Mr. Jackson concluded.

President G. Archie Holland presented Miss Mary Helen Donnell, Equitable Society, a life membership in the Women's Quarter Million Dollar Round Table. He mentioned the courses in life insurance now offered by Texas Christian University, Fort Worth, Southern Methodist University, Dallas, and also that Trinity University, San Antonio, will conduct C.L.U. classes if as many as 10 are interested in taking the section offered. The life insurance department of the state insurance board has been able to employ more investigators, he announced.

Announce Southeast Kansas Sales Congress Plans

The southeast Kansas sales congress will be held in Parsons in October. Charles W. Cooper, Business Men's Assurance, Iola, president of the Allen-Neosho County association, is general chairman. Program chairman is Carlton Winston, Mutual Life, New York, Coffeyville. B. L. Ehrmann, president of the Pittsburg association, is chairman of the general agents and managers session scheduled for the evening preceding the sales congress, assisted by Frank Sutton, Coffeyville.

Nairn Gives Detroit Address

A. Gordon Nairn of the Life Underwriters Assn. of Canada, in addressing the Detroit Life Underwriters, pointed out that a career agent who is building for permanency, must emulate the successful man in other professions. He emphasized the necessity of doing a thorough job of selling and servicing clients, Arthur W. Greenfield, president of the Detroit association, presided, and Frank W. Simpson, manager of Dominion Life, introduced Mr. Nairn.

San Francisco — James V. Lawry, Northwestern Mutual Life, whose production averages about \$800,000 annually, will speak Sept. 26 on life insurance in today's market. Homer E. Anderson, vice-president, will conduct the meeting in the absence of President R. Edwin Wood. Miss A. V. Bowyer, executive secretary, will be on hand for the first time since she was stricken last October. Quality award certificates will be presented to 42 members and C.L.U. diplomas to three others.

Springfield, Mass. — Lewis B. Hender- shot, director of sales promotion and field service of Berkshire Life, spoke at the first fall luncheon meeting on "The Life Underwriter Serves the Veteran." He discussed the new amendments liberalizing National Service Life Insurance. Edward J. Brennan, vice-president, presented national quality award certificates to 16 members.

Washington State — A two-day meeting will be held Oct. 23-24 in Seattle, according to Clarence L. Hagstrom, Massachusetts Mutual at Seattle, president. A joint meeting with the Seattle

association is scheduled for Oct. 23, with J. P. Williams, director educational advisory department American College, as speaker.

Southern Idaho — Merwin E. Helmbolt, Northwestern Mutual, has been elected president; Gordon R. Jones, Mutual Life, vice-president; Frank E. Sanders, Equitable Society, secretary; D. C. Jensen, Western Life, national committeeman.

Indianapolis — Raymond J. Dolwick, assistant director of agencies of Northwestern Mutual Life, spoke Thursday on "Sales Ideas."

Austin, Tex. — A demonstration of a sales interview was given by R. F. Howell of the Great Southern Life agency at Houston, with Sam R. Hay, Jr., assistant manager of agencies for Great Southern, as the prospect. B. P. Atkinson, program chairman, announced a sales seminar will be held Oct. 18, with five speakers, including L. M. Buckley, Dallas, New England Mutual Life; S. E. Martin, Dallas, State Mutual, and Robert Davis, Houston.

Long Beach, Cal. — John P. Davis, civic leader, spoke on "My Home Town." Harold Stevenson, national committeeman, reported on the N.A.L.U. convention in Cleveland.

Debate Group Annuities and Trust Fund Plan

(CONTINUED FROM PAGE 2)

"Congress," said Mr. Parkinson, "should take back its legislative and law-making powers and leave to the executive department that which Congress says should be done." He cited recent legislation streamlining Congress as one means of reestablishing Congressional prestige "as representative of the people and a law-making body."

The new legislation modernizing Congress provides expert guidance needed to give it information and technical aid in reaching intelligent judgments, Mr. Parkinson said. He also pointed out that the need for meeting war emergencies had resulted in expansion of the Federal government, with the centering in Washington of many things that had been and should be handled locally in peacetime.

As one step in the direction of inflation curbs, Congress should, he said, provide a commission with "full power to report on all the financial problems left by the war."

Mr. Parkinson said that "even a sales tax should be preferable to the indirect tax which higher prices impose on everybody."

Hold Panel Discussion

Several problems relating to insurance accounting were discussed by a panel at the meeting of the Controllers Institute under the general chairmanship of Charles H. Yardley, Penn Mutual. J. McCall Hughes of Mutual Life, presided over the insurance section. Joseph J. Clair, Metropolitan, outlined methods of handling investment fluctuation and valuation reserves on the balance sheet, stressing the problem of segregating increases in asset values so as to keep them available to cover possible future decreases.

Form and content of reports to executives and trustees was the subject of remarks by Carl Debuck of Union Central Life. The relationship between officers and controllers depends upon what officers are interested in, he said.

Mr. Debuck suggested the uses to which a monthly estimate of annual surplus might be put. Willard D. Holt, Provident Mutual, spoke on allocation of accounting functions between home office and field offices to obtain economical operation.

Mersfelder Honors Leaders

In recognition of their efforts in August, the 20 leading producers and their wives of the Oklahoma agency of Kansas City Life, were entertained by L. C. Mersfelder, state manager, and Mrs. Mersfelder at a dinner and dance. The office force also were guests.

A.L.C. Offers Solid Fare for Five Days at Chicago

(CONTINUED FROM PAGE 3)

constitution and by-laws. There has been considerable overlapping and in many points correction was needed. Therefore, the executive committee has approved a proposed constitution that was drawn up by a committee headed by W. T. Grant, B.M.A., which has been submitted by mail to members and will be voted on at the executive session Wednesday evening of convention week. It terminates a number of committees that never functioned or were inappropriate. It commands an executive committee of 12 and there are other elements of procedure and administration that simplify the modus operandi.

In order to have full time to discuss the constitution and also a period for the election of officers and executive committee, there will be an executive session at 4 p. m. Wednesday.

Dwight L. Clarke, president of Occidental Life of Los Angeles, is slated for president, he being the senior member of the executive committee, which would entitle him to this honor. James A. McLain, president of Guardian Life, who was president two years ago and has been on the committee since, will retire. If the provision is adopted to enlarge the executive committee there will be a number of new faces. Ralph Lounsbury, president of Bankers National Life, has been prominently mentioned for a member and also H. W. Manning, vice-president and managing director of Great-West Life.

Beneficial Life Awards Laurels

The Oakland agency of Beneficial Life, headed by Charles J. Taylor, has received the President's Cup awarded for all around excellence. This agency also qualified for the annual gold plaque given for excellence in production.

The Salt Lake agency with Harry J. Syphus as general agent, has been awarded the silver plaque for outstanding organization and training.

The bronze plaque has been presented the Wyoming agency, Autna W. Stock, general agent for morale and cooperation.

Alliance Plans Florida Outing

Alliance Life will hold the outing of its agency clubs at Sea Ranch near Fort Lauderdale, Fla., in January. There will be special entertainment features.

Forty-two agents have qualified for the outing, and it is anticipated the party will number 100, including wives of agents and home office officials who will attend. The first member of the agency staff to qualify for the President's Club in the new period which started July 1 was General Agent L. R. Cardwell, Rockford, Ill., who completed his qualification as of Aug. 12.

GROUP SPECIALIST

Unusually excellent opportunity for experienced group man. Substantial initial earnings guaranteed with limited future. Also

EXPERIENCED LIFE SALESMAN

Immediate prospect of becoming Traveling Supervisor over agents selling life insurance on payroll deduction plan. Salary and commission.

NATION WIDE ORGANIZATION

writing Life, Health & Accident, Hospital, Surgical and Medical Expense coverage. Many excellent contacts already established through 35 years of prompt, efficient service to policyholders.

Apply by letter giving full details to: BOX H-50, THE NATIONAL UNDERWRITER, 175 WEST JACKSON BLVD., CHICAGO 4, ILLINOIS.

THE HEADLINES WERE HEEDLESS

It was bad news in the public prints when the stock market's Jacks and Jills recently ran down the hill. At the same time there was good news too: millions of life insurance policies continued to be worth one hundred cents on the dollar. But of this the headlines were heedless. Pointing this out to prospects might make a good opening for your interviews today.

LIFE Insurance Company of VIRGINIA

Bradford H. Walker
Chairman of the Board

Robert E. Henley
President



Home Office: Richmond
Established 1871

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Clark Urges Wider View on Leaders

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Life companies are facing a more competitive situation in investing these funds than ever before. Among the probabilities of the future which might help the average return to some extent, Mr. Rowe mentioned the construction boom which would stimulate the demand for mortgages temporarily exceeding the available funds awaiting investment and the investment of insurance company funds in housing projects and business properties.

Optimistic as to Future

Briefly reviewing the current financial situation, Mr. Rowe said:

During the last month we have had a severe dislocation in the stock market which, however, has had very little effect on the prices for investment grade bonds. This has led many people to become concerned about future business prospects. While granting that there are many difficulties to be overcome, it should be impossible to have a severe business slump with so many unfilled demands. There are more people working than ever before at high wages. In housing, transportation, equipment and many other fields there are great demands to be met. There is a heavy backlog of war-time savings in the hands of potential consumers. We are geared to a national income practically double what was formerly considered normal and an ever improving standard of living is the goal. With this background, sales of life insurance should continue to gain as more and more people are made to realize that what they thought gave their families adequate protection even five years ago is far from doing so now. The need for additional life insurance should be brought home, especially to those younger men who have just got out of service. The agents that can build themselves business from the veteran group on top of National Service Life Insurance and not in place of it will have a potential source of future additional contacts that will be very valuable."

Effect of Guertin Laws

"The use of modern mortality tables and the new nonforfeiture and valuation standards makes the problem of the actuary somewhat easier in determining equitable costs for the insurance protection which his company gives to its policyholders," Harold A. Grout, vice-president and actuary, said.

Pointing out that the adoption of the new standard nonforfeiture and valuation laws will not of itself increase gross premiums, Mr. Grout stated: "If such increase takes place it will be due to other factors. The precise mortality table used and the level of a company's reserve liabilities, irrespective of the particular valuation method employed, are not primary factors that determine the ultimate cost of life insurance. In the final analysis, such cost is determined by a company's actual disbursements of policy benefits, whether such benefits are the result of natural maturity or of default in premium payments, and by its expenses, taxes and dividend distributions, in relation to its premium income and investment earnings."

Some Rates to Be Higher

Mr. Grout believes that gross premium rates for ordinary insurance under the new program of most companies will be somewhat higher than those currently in effect. On the other hand, however, he believes that there will be material increases in nonforfeiture benefits under many plans of insurance, especially in cash surrender values and in periods of extended term insurance.

"Some of the increases in premium rates may be offset by the adjustment in dividend scales which will certainly be required," he said, "A feature of the

new laws of advantage to policyholders is that the granting of a paid-up nonforfeiture benefit is required as soon as the formula produces any value, even though premiums have been paid for less than three years. Under certain higher priced plans, nonforfeiture benefits will thus become available after the payment of but one annual premium."

Predicting that increases in premium rates can be expected to be most marked in the case of endowment policies and policies issued on a limited premium payment plan where the interest factor has relatively more weight in the determination of gross premiums, Mr. Grout observed that, on the other hand, in the case of policies under which the protection element is emphasized as compared with the investment feature, increases in rates may be only relatively small, while in some instances under policies of this type, especially at the younger ages, there may even be some reductions in premium rates.

Home Life Better '45 Record in 8 Months

With four months still remaining, Home Life of New York reports that new business paid for and the gain of insurance in force during the first eight months of 1946 have already passed all previous annual records in history.

Total volume of business paid for as of Sept. 1 is \$70,657,120, a gain of 7 1/2% over 1945's record smashing annual mark. August volume was 41% above the previous best August.

Gain of insurance in force over the first eight months of the year totaled \$55,397,281. This represented a 20% increase over the total recorded for the entire year of 1945, the company's best annual mark.

C. E. Becker on Circuit

Chas. E. Becker, president of Franklin Life, accompanied by his son Charles, who upon his return from service entered the agency department, has started on a four-weeks tour of southeastern and eastern agencies.

Mr. Becker will preside at sales meetings in 14 states, the first of which will be at Rome, Ga. Other agencies will convene at Atlanta, Miami, Tampa, Orlando, Tallahassee, Savannah, Sumter, S. C.; Southern Pines, N. C.; and Raleigh. A. V. Mozingo, resident vice-president in charge of the southeastern states with headquarters at Jacksonville, will accompany Mr. Becker to these meetings in that section.

Mr. Becker will participate in a sales congress called by A. D. Campbell, regional manager of Virginia at Richmond. Similar meetings have been planned by Regional Manager Joseph M. Silverman for Washington district and by Claude Freed for Philadelphia.

Prof. Patterson Arbitrator

NEW YORK—Prof. Edwin Patterson of Columbia University has been designated as impartial arbitrator by Metropolitan Life and the C.I.O. Industrial Agents Union under the union contract. Four cases, all involving terminations, have already been heard, though decisions have not yet been given. Three other termination cases are scheduled for hearing this month.

Burial Operators Expand

Organizers of Independence Mutual Life at Charlotte, N. C., are men who have for a number of years operated a mutual burial association. Under the North Carolina statutes a mutual life company is required to have not less than 250 bona fide applications for life insurance in an aggregate amount of not less than \$250,000 and shall have received from each such applicant in cash the full amount of one annual premium on the policy or policies applied for in an aggregate amount of at least \$7,500 and shall in addition have a contributed surplus of \$75,000 and shall have and maintain at all times a minimum surplus of \$50,000.

Columnist's Friends Use Life Insurance to Consummate Dying Wish

LOUISVILLE—Friends of the late J. Howard Henderson, news commentator for the Louisville "Courier Journal" at Frankfort have sent in contributions of \$2,316, contributed by 176 sources, which will enable the J. Howard Henderson memorial committee to invest in an insurance policy that will guarantee an income of \$74.07 a month, 10 months out of the year, for a four year college education for the late Mr. Henderson's son, John Henderson, now 7. Henderson died last December. He was known for his exposes of political corruption.

The committee reported that Henderson was well aware of his approaching death, and his greatest regret was his

inability to leave his son with his education problem solved.

In event that John Henderson should die before his college days the proceeds of the policy will go to the school of journalism of University of Kentucky, to be invested, principal and interest for an annual J. Howard Henderson memorial cash award for the junior student majoring in journalism, and who "shows the best promise in reporting and interpreting public affairs."

The publicity attending promotion of this program is welcomed by life insurance men.

Colonial Life—In August the highest ordinary production record of the year was reached, with \$2,872,723 placed ordinary. This exceeded May, the best previous ordinary mark, by \$100,000.

If prospecting is your problem, get *Doorways to Prospects*, \$2.00 from THE NATIONAL UNDERWRITER.

THE COMPANY OF SUCCESSFUL FIELDMEN

Lasting Success

Many Pacific Mutual underwriters long established in the field are today far exceeding their best records of the past.

Striking proof that Pacific Mutual career men can count upon *lasting* sales success!

Here's the three-fold reason:

First—A practical training program, embracing each successive step in an organized and *complete* merchandising process.

Second—A *complete* range of personal coverage to sell.

Third—The "New and Unusual Savings Plan"—a *complete* economic security package for the individual buyer.

PACIFIC MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE: LOS ANGELES, CALIFORNIA

Coverage that's
complete
LIFE INSURANCE
ACCIDENT & HEALTH
GROUP & WHOLESALE
ANNUITIES-JUVENILE
The
New and Unusual
Savings Plan

An Emblem of Distinction



Sound business management and very low mortality have given Lutheran Mutual the distinction of being one of the very lowest net cost companies in the United States.

Inquiries, regarding agency openings, are invited from Lutherans.

LUTHERAN MUTUAL LIFE INSURANCE COMPANY
Waverly, Iowa

Aggregate Group Insurance Statistics Are Set Forth

NEW YORK—The extent to which Americans have voluntarily secured insurance protection against the hazards of illnesses and accidents through group insurance in private insurance companies is shown by a survey just completed by Life Insurance Association of America. Unlike proposals arising in some quarters for state-operated insurance plans this coverage was largely underwritten through the employers of the persons covered. Life and casualty companies, which together received over 98% of the total estimated 1945 group premiums and considerations on United States business contributed figures for the survey.

At the end of last year, 5,921,360 persons were carrying group A. & H. providing an average weekly indemnity of \$17.03 for each person insured, to partially compensate for wage loss during disability, according to the survey. Premiums paid during the year for this coverage amounted to \$115,989,000. This was in addition to benefits provided directly by employers who, by custom or otherwise, have established plans of sick-leave pay for their disabled employees, and also to individual policy coverage and coverage in mutual benefit associations.

Hospital and Doctors' Bills Paid

Hospital and doctors' bills are also being taken care of by group insurance. At the end of last year, group hospital expense insurance was in force on 4,371,350 employees and on 3,432,320 members of their families, providing coverage against the cost of hospital room and board and, to a large extent, the other types of charges incurred by hospitalized persons. With respect to doctors' bills, group surgical expense coverage at the end of the year was provided for 3,948,565 employees and for 1,587,669 members of their families, who were insured for average maximum surgical benefits of \$146.66 and \$130.61, respectively, per operation.

In addition, 335,152 employees and 97,876 dependents had group medical expense insurance providing general coverage against doctors' charges. Premiums for these three classes of health insurance amounted during the year to \$90,195,000. Hospital, surgical, and medical care insurance under such plans as the Blue Cross coverage, where substantial amounts also are in force, and individual policy coverage, were not included in the survey.

Group Life Most Widely Used

Group life insurance—the most widespread form of group coverage—was in force on 11,329,388 persons for a total amount of insurance of \$22,426,725,000 at the end of the year. The total premiums paid during 1945 amounted to \$300,911,000. In addition, at the year-end there was \$234,671,000 of group life insurance for discharging instalment debts of borrowers, and \$489,351,000 of wholesale life insurance. Additional group accidental death and dismemberment in-

surance was provided for 3,709,071 persons, for a total coverage of \$6,407,853,000.

Supplementing the retirement benefit coverage of the social security act, group annuity contracts covered 1,275,566 persons, for annuity benefits purchased during the year by considerations totaling \$300,627,000. The total 1945 premium income for group and wholesale insurance coverages was \$526,447,000, bringing the total premiums and considerations for all lines of insurance and annuity protection purchased on a group basis to \$827,074,000.

The survey did not take into consideration the Canadian business of the companies.

The data was contributed by 120 life companies and 27 other insurers writing group A. & H.

Master policies and certificates providing for more than one coverage were counted for each kind of coverage.

Number of dependents when unavailable was estimated at 2.5 per family unit.

Twenty of the life companies had in force some level or single premium group life insurance.

Pay All Claims of Pacific Mutual Dissenters

Dividend checks of 100% of claims approved against the old Pacific Mutual Life have been mailed creditors, according to Commissioner Garrison of California. These approved claims involved \$787,263 to those policyholders who refused to accept reinsurance in the new company back in 1936 when the old company went into liquidation. Mr. Garrison also announced that all litigation connected with the liquidation has been closed favorably.

Ben Hur Convention Oct. 15

Ben Hur Life of Crawfordsville, Ind., will hold its national convention in Evansville, Ind., Oct. 15.

Kind of Coverage	New Business Issued During 1945			Total In Force December 31, 1945			Premiums and Considerations During 1945
	Number of Master Policies	Number of Certificates	Total Amount of Coverage \$	Number of Master Policies	Number of Certificates	Total Amount of Coverage \$	
Group life (not including group indebtedness or wholesales)	2,777	1,101,701	1,377,375,000	30,002	11,826,596	11,329,388	22,426,725,000
Group indebtedness	562	313,379	25,574,000	6,261	3,232,827	3,232,827	234,671,000
Group accidental death and dismemberment	3,487	534,936	*782,249,000	21,006	3,717,944	3,709,071	*6,407,853,000
Group accident and health (weekly indemnity)	3,264	631,768	†10,962,000	23,059	5,928,333	5,921,360	†100,830,000
Group hospital expense	3,980	656,996	3,313,000	20,389	4,371,350	4,371,350	115,989,000
Employee cover	2,520	210,670	2,312,000	10,849	1,385,491	3,432,320	35,389,000
Dependent cover	4,029	624,780	††91,093,000	18,936	3,948,566	3,948,566	20,117,000
Employee cover	1,999	147,094	††55,668,000	7,350	649,303	1,587,669	††207,363,000
Group medical expense	577	156,331	-----	2,014	335,152	335,152	-----
Dependent cover	43	6,799	-----	508	42,000	97,876	489,000
Group annuities	160	67,492	**5,518,000	1,628	1,475,638	1,275,566	**279,635,000
Wholesale life	12,335	§§46,113	75,865,000	32,042	§§299,092	297,202	489,351,000
							300,627,000
							8,369,000
							**Units. **Annual income.

Parkinson Asks Restriction on Bond Purchases by Banks

Federal Reserve action to restrict banks from buying government bonds on the open market was recommended as a means of preventing inflation by Thomas I. Parkinson, president of Equitable Society, at a meeting of the Young Men's Board of Trade of New York.

Declaring that the over-supply of money is attributable to bank accounts swollen by bank purchases of government bonds directly from the Treasury or indirectly on the bond market, Mr. Parkinson said that inflation will continue unless steps are taken to stop this increase of money supply.

He also suggested that fiscal authorities could have protected holders of government bonds in distress by providing that banks could buy bonds only at par. This, he added, might have prevented the bank buying that is monetizing that portion of the debt which banks take off the market from non-bank sellers.

Government maturities totaling \$85 billion due in the next few months pose a financial problem to those authorities who have expressed determination to maintain low interest rates, Mr. Parkinson said, and such rates can be maintained only through a large money supply.

Noting that Chairman Eccles of the Federal Reserve Bank had recently stated Federal Reserve authorities would strive to maintain easy money, he charged



that easy money for the government and low interest rates for government obligations constitute the heaviest charge borne by the average man in the cost of living.

If the trend is not changed it will lead to more money supply and lower interest rates, until few people will be willing to make long term loans, he declared.

Arizona Insurer Under Fire

Superintendent Dressel of Ohio says court action probably will be instituted in Toledo against Reliance Benefit Assn., Phoenix, Ariz., charging violations of state insurance laws. It will allege sale of insurance to an individual without the client's knowledge and selling insurance in Ohio without a license. The move followed the recent arrest of

Rev. Dr. Harry de Castle de Knotsch and William Astin, both of Toledo, on charges of taking out 17 policies on the life of Miss Naomi Smith without her knowledge or consent.

POSITION WANTED

Experience in handling general life insurance sales promotion, covering advertising, motivation material, direct mail program, sales plans, recruiting program and training of agents. Satisfactory record in life insurance work and agents' problems from both Field and Home Offices points of view. Address H-70, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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A Complete Line of
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Outlines Profit Sharing Varieties

Profit sharing plans have come to stay and have reached a point of refinement that offers considerable latitude, Martin Scott, Equitable Society, Los Angeles, said in his talk before the Million Dollar Round Table at French Lick.

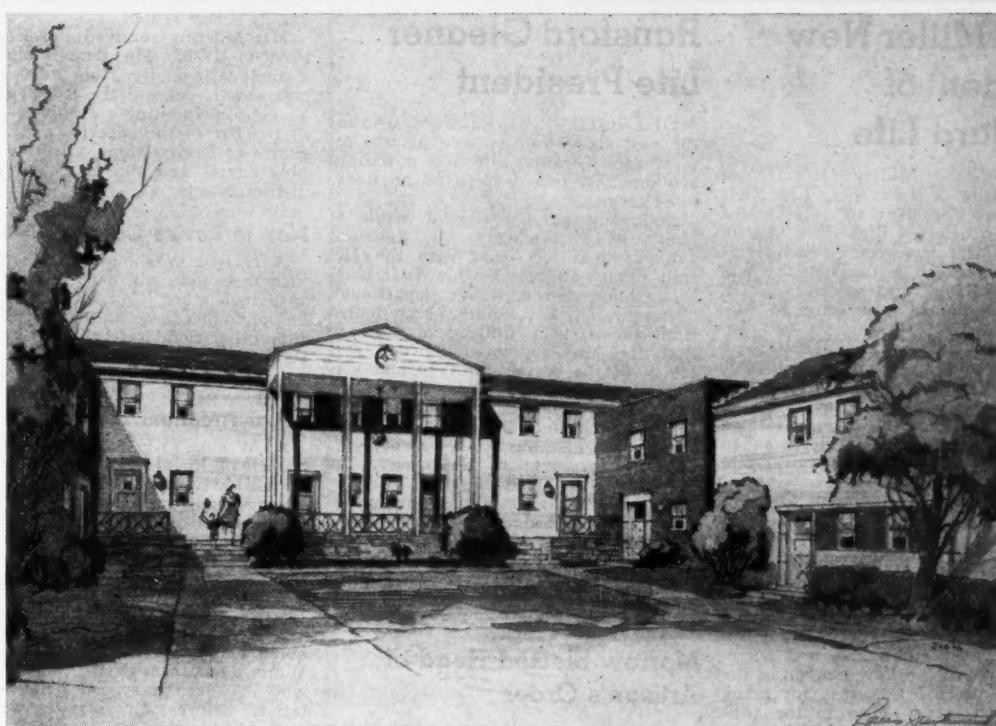
The basic type of plan is one in which the deposits made into the plan are distributed among the employees' accounts in the ratio that the salary of each employee bears to the total salary of all participants. This is purely a current service type of plan with no credits for past service.

The first variance in design from the basic type of profit sharing plan is one in which weight is given to years of service as well as to compensation in the distribution of the company's contribution among the participating employees. Through this method of weighting, lower compensated employees with longer years of service will receive a greater share of the contribution. In the majority of cases this will also lead to the older employees receiving a greater portion of the allocation than the younger employees and will create additional credits which will tend to produce a more substantial reserve to be used to provide for the retirement of the older employees.

Care Must Be Used

Care must be used in designing this type of plan. The credits for years of service must be added to the credits for compensation, not multiplied by them. Experiments will be necessary, with each particular group of employees to determine the actual amount of credit which may be allowed for each year of service. In some plans, where the employees with few years of service are evenly distributed through the salary groups, as many as three credits for each year of service may be used and

Preview of "Hancock Village" of John Hancock Mutual



Architect's drawing showing court-yard of proposed "Hancock Village" to be erected by John Hancock Mutual

Life in Brookline and West Roxbury, Mass. All "living areas" of homes will face on courtyards, only service doors,

kitchens, baths and stairways being on the street side. The arrangement of facilities is most modern.

still qualify the plan. However, if the employees in the middle salary groups, \$4,000 to \$6,000, all have long periods of service, it may be possible to allow only one credit for each year of service if discrimination in their favor is to be prevented. This is a particular danger of this type of plan. The employees in the highest salary brackets may always be limited by a maximum of considered compensation, but the supervisors and department heads are likely to fall into the group mentioned. Naturally, the larger the group of employees, the broader the base and the less the likelihood of discrimination. It must be realized that, under the 15% of total salary maximum contribution rule, this plan penalizes new employees most.

The second variance in design from the basic profit sharing plan is one in which, in addition to the fundamental profit sharing plan which provides for current service, an actuarially determined trusteed fund, invested in securities, is created to give credit for past service. At the time of retirement, the dollar value of the employee's past service account is transferred from the past service fund and combined with the value of his profit sharing account, and the two funds, merged together, produce an annuity income on a modified cash refund basis.

The third variance in design from a basic profit sharing plan is to superimpose profit sharing on a modest fixed benefit retirement plan. At retirement, in addition to the retirement benefits received from the basic plan, additional annuities are purchased from the accumulated profit sharing fund.

RELIANCE LIFE INSURANCE COMPANY OF PITTSBURGH



THE RELIANCE MEETS EVERY BUYER'S
PREFERENCE BY ISSUING: HEALTH •
ACCIDENT • PARTICIPATING • NON-
PARTICIPATING • ANNUITIES •
NON-MEDICAL • SUB-STANDARD •
JUVENILE • RETIREMENT INCOME

Continue Commission Rule

The National Council of Salesmen's Organizations has called attention to the fact that extension of OPA carries with it another year of life for the wage stabilization board, which means that the commission rate of any salesman or other non-administrative employee within WSB jurisdiction (i.e., earning \$5,000 a year or less) may not be reduced without the board's permission. For salesmen on a straight commission basis this means the rate of

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YOUR OWN AGENCY, OR
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Here's How:

The Wisconsin National helps you to success and security. It offers a new and attractive life agency plan with a group of select and salable policies—diversified policies—Life, Accident and Health.

Or, you can boost your present income. The Wisconsin National has the policies that will secure increased income for you through new business as well as renewals. Your commissions will be most liberal, supplemented by prompt claim service.

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**WISCONSIN NATIONAL
LIFE INSURANCE COMPANY
OSHKOSH, WISCONSIN**

LEGAL RESERVE FRATERNALS

W. W. Miller New President of Standard Life

Woodrow W. Miller, secretary of Standard Life of Lawrence, Kan., has been elected president to succeed the late John V. Sees. Richard F. Allen, general counsel, has been elected secretary to succeed Mr. Miller, but also will continue with his former duties. C. E. Dreyer was named a director to succeed Mr. Allen.

Mr. Miller joined the society as a clerk in the auditing department in 1936. In 1941 he became accountant and in 1942 was made head of the auditing and accounting department. He was elected secretary in 1945. Mr. Miller was an officer in the navy during the war and is a graduate of University of Kansas.

Mr. Allen was appointed assistant general counsel of Standard Life in 1928, becoming general counsel in 1938. In the same year he was elected a director. He is the son of the late George R. Allen, who was president of Standard Life from 1928 to 1945. Mr. Allen is secretary of the Fraternal Society Law Association and was secretary-treasurer of the Law Section of the National Fraternal Congress for many years. He was an officer in the anti-aircraft artillery in the war, and before that was in the air transport command and civilian air patrol.

Mr. Dreyer has been assistant to the treasurer since 1919 and was assistant secretary during the war in Mr. Miller's absence.

Ransford Gleaner Life President

DETROIT—R. G. Ransford, who for the past six years has been general attorney for Gleaner Life, has now been appointed its president to fill an unexpired term.

Following pre-law school work at University of Michigan, Mr. Ransford worked for three years with the Detroit Bank. In 1934 he joined Gleaners in its bond and mortgage department. Continuing his law studies, he graduated from the Detroit College of Law in 1937. He was appointed assistant secretary of the society in 1940 and was appointed general attorney later that year.

Due to continued ill health and on the advice of his physician, Henry H. Hackett, president of the society for six years, was forced to resign.

J. Lee Strachan has been named chairman of the board. Mr. Strachan has been in charge of the farm mortgage department and a member of its investment committee for several years. With his son, he operates a big fruit and poultry farm near Ionia.

Morrow Elected Head of Artisan's Order

John H. H. Morrow has been elected solicitor of Aristans Order of Mutual Protection, Philadelphia. He fills the vacancy created by the death of J. T. Taylor. Mr. Morrow has been associated with that society since 1930 and is now its chief executive. He

received an A.B. degree from University of Pennsylvania in 1926 and was an assistant instructor in botany there for three years before attending the university's law school.

Mr. Morrow received the LL.B. degree in 1930. He taught biology in Temple University from 1929 to 1932 and now is dean of the law department at Gibson Institute. He is a member of the bar of the superior and supreme courts of Pennsylvania, all the Philadelphia courts and the U. S. circuit and district courts.

Plan to Revise Code in 1949

A revised Washington state fraternal insurance code will be presented to the 1949 legislature, Commissioner Sullivan has announced. A new code for insurance other than fraternal will go before the 1947 legislature. The state's present fraternal code was adopted in 1912.

Royal Arcanum Election

NEW CASTLE, N. H.—The supreme council of Royal Arcanum at its annual session here elected William Ennis of Chicago as supreme regent; H. F. Hotchkiss, Boston, secretary, and W. H. Zook, Denver, treasurer.

Cheney Oklahoma Manager

Modern Woodmen has named Thomas W. Cheney of Rock Island, Ill., as Oklahoma manager. He succeeds Noah V. Watts, who resigned. Mr. Cheney, who has been a special field representative, before war service was connected with the society since 1935 in the field department at Rock Island.

Plan 50th Year Campaign

Equitable Reserve of Neenah, Wis., is preparing to start a 50th anniversary sales campaign Jan. 1 to continue for eight months, winding up on the company's half century mark Aug. 17.

Compete for Washington Trip

A week end trip to Washington Jan. 18-19 is being planned by Artisans Order of Mutual Protection, Philadelphia, for its leading field representatives who qualify for 1946 with a minimum number of production points. This will be devoted to recreation, with attendance at a sports event, a sightseeing trip through Washington and vicinity, a trip to Mt. Vernon, a dinner-dance, etc. The producer with the greatest number of points for the year and his lady will be the guests of J. H. H. Morrow, head of the society, at the head table at a dinner-dance in Philadelphia Jan. 22.

Report on Chicago Fraternal

The Illinois department has released a report of an examination as of Dec. 31, 1945, of Plattebuchs Grot Gilde Von de Vereenigten Staaten Von Nord Amerika. Assets were \$206,648 and surplus \$161,603. Grand secretary is Erich K. Huebener. Life insurance in force on 474 policies was \$163,850. Total received from members was \$13,007 and total benefits paid were \$11,585.

Olsen Manager for Illinois

William M. Olsen of Joliet, Ill., district representative of Equitable Reserve, has been promoted to Illinois manager. He has been connected with the society since 1934 in the field and has been one of its leading producers for several years.

A.O.U.W. Congress to Meet

The A.O.U.W. Congress will meet at Wheeling, W. Va., the week of Oct. 27 as guest of the West Virginia grand lodge of A.O.U.W. which will hold its convention in Wheeling Oct. 24-26. The congress is a voluntary organization of A.O.U.W. grand lodges in the United States and Canada which meets annually to discuss joint matters. The president is J. C. Heineman, grand master workman of A.O.U.W. of Minnesota, and secretary-treasurer is J. F. Fogarty, head of A.O.U.W. of Washington state.

Many Proposals at Cleveland Rally

(CONTINUED FROM PAGE 1)

has today become a much more complicated affair. For instance, there were committee meetings on Sunday, Monday and Tuesday preceding the three actual formal sessions which began at Cleveland Wednesday morning. In all 27 committee reports were submitted. Some were discussed and considered at length. In the opinion of many, these committee meetings were much more interesting and lively than the all-day gathering of the national council, at which the final reports were submitted. The national council meeting was rather on the dull and formal side. There were so many committee reports to be accepted that no great amount of time could be given to discussing any one of them. The national council meeting was really one of ratification and acceptance, with very little general discussion or general participation.

More Time for Business Affairs

The question in the minds of some who feel that there might be a change in the form of the National association's annual meeting, is whether the gathering should not devote more time to the business affairs of the organization and less to the presentation of speakers. It is pointed out that next year's annual meeting is to be held on the Atlantic coast, at Boston, and that the 1948 gathering is to be held on the opposite side of the continent at Los Angeles.

One who commented on this at Cleveland said: "Should the average producer and member of the National association living in the middle west, south, southwest or southeast, make the long trip to the eastern seaboard in 1948 merely to listen to a group of the leading producers of the day? Can they not hear all of the good speakers they want to very much closer to home than this?"

Raises Important Question

"After all, the National Association of Life Underwriters is a trade association, devoted to the interests and welfare of its members, and its annual meetings should be given over principally to the business affairs of the organization, having to do with what is best for the agent, how his position may be improved and his interests protected. It seems to me that the association is trying to carry on its meetings too much as it did a quarter of a century ago when the organization had very few members and when local associations rarely had top-flight speakers on their program."

The session at which the greatest attention was given to strictly association matters was the state officers' dinner. Both there and at the National council meetings the membership angle was stressed.

The possibilities in non-resident membership also were reviewed. John G. Blaine, Pan-American Life, Guatemala City, who has held that honor for a number of years, was introduced as the man who had traveled farthest to attend the convention. He has 36 agents, all full-time and all enrolled as non-resident members of the New Orleans association. Mr. Rutherford said the Philadelphia association has 28 non-resident members in South Africa, stemming from one man who had a friend in Philadelphia and lined up all the others. He commented that many associations in this country are not even working on the men in the next town 10 miles away.

Interest in Membership Work

The great interest in membership activities may be attributed, in part at least, to the enthusiasm of the new membership chairman, Charles J. Caffie, Mutual Life, Atlanta, which



Returning Veterans!

Selling legal reserve life insurance is pleasant and profitable employment.

You have an opportunity to develop lists of new prospects through meeting the present policy-holders in the territory assigned to you.

Excellent territory in Illinois, Michigan, Minnesota and Wisconsin. Write for information.

Equitable Reserve Association Neenah, Wisconsin

A. O. U. W. OF NORTH DAKOTA



PROTECTED HOME CIRCLE

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FOUNDED IN 1888

A Legal Reserve Fraternal Insurance Society

S. H. HADLEY, Supreme President L. D. LININGER, Supreme Secretary
SHARON, PA.

seemed to communicate to all those who heard his impassioned talks at the national council meeting.

In the gap that always occurs at the election session of the council while the votes are being counted, the membership proposition seemed to be the natural one to bring up for discussion. Robert L. Walker, president of the Florida association, said there are too few members at the small town level—with most of the membership now from the top crust. He believes the others could be enrolled if they were really informed as to what association membership means.

Henry S. Stout, John Hancock, Dayton, Ohio association president, deprecated the idea sometimes expressed in membership drives of working down to the debit man's level. He said he thinks

it should be "up" instead of down. While he is in the ordinary end he has had considerable contact with debit men and believes their average earnings probably are higher than those of the ordinary agents.

James E. Rutherford, N. A. L. U. executive vice-president, who was presiding at the time, confirmed that statement on the basis of figures received at headquarters.

Others opposed making any references at all to debit or ordinary agents and said there should be no distinction between them in association membership.

Walter R. Hoefflein, Pacific Mutual, Seattle, said that a part of the induction of any new man in his agency always has been a signed application for association membership and an advance payment of dues.

John Hancock Men Tell Methods

(CONTINUED FROM PAGE 11)

class bought life insurance and ever since succeeding graduating nurses have purchased their first policies from him. If, as a group he could sell nurses, he reasoned, why not try telephone operators, or stenographers or office receptionists. He cultivates one field of women prospects for a time—then switches to another.

"Many older women, proprietors of shops, business and professional women are buying retirement plans. Lately I have sold some single-premium annuities to women who have sold property. Women today have more money than they ever have had before. They are looking for the kind of financial help which only we as life underwriters can give them."

Big Field for Juvenile

A broader market for college education insurance is opening up, according to Edward G. Thomas of Denver. He pointed out that the G. I. bill of rights is affording more men than ever before the opportunity of a college education. "The father of today will require little urging to get his child's future assured through a college training—if he is a college man himself," he added.

In prospecting for juvenile, Mr. Thomas watches for all the birth notices in his local paper and then makes a careful selection of parents he wants to see. He writes a letter immediately enclosing a folder about juvenile life insurance and encloses a return post card on which they may note the best time to call. Even though not many of these cards come back, Mr. Thomas regards them as a valuable introduction. He finds it more satisfactory to write for an interview with both parents rather than only with the father. He backs up his prospecting with continuous newspaper advertising and encloses a reprint of this advertisement together with a John Hancock national advertisement on the subject of educational insurance in his letter.

"There are so many prospects for juvenile insurance," says Mr. Thomas, "that one could devote many hours a day to this business alone."

Time Can Be Evaluated

Time can be evaluated just like any other commodity, and the only way to arrive at an accurate understanding of its value is to keep complete records, according to Robert Pitcher of Boston. Mr. Pitcher has discovered by keeping records for 10 years or more that it is necessary for him to make 1,500 calls per year to reach the goal he has set for himself. "By making a total of 1,500 old and new calls per year," said Mr. Pitcher, "I will average 700 interviews, which means 250 sales. In certain instances, I have questioned the wisdom of spending a great deal of time on certain prospects. But my records give me the answer. For example, in one salary savings case of mine, I made an analysis and found the value of each call in that company was \$4.39, which convinced me that it was worth my while to continue my efforts. It is possible to have

situations which would not be profitable, and if so the records will reveal it.

"The work sheet tells the story. It has a place to record the hours that you spend with prospects, the hours that you spend traveling, the hours you spend in the office making proposals and the time you spend at lunch. There is a column for loafing and one for outside activities. It is keeping all these activities in proper balance which determines whether you will be a success or a failure."

Writing Group Insurance

"Be on the offensive when writing group insurance," C. E. Drury, Jr., of Dayton, advised.

Mr. Drury believes in continuing to give personal attention to a case by being constantly on the lookout for ways in which to assist in the administration of the plan and also for signs of trouble.

"Proper attention to group cases not only protects renewal commissions, but develops by-products which may easily become more profitable than the group business itself," he said.

"By-products of group insurance may be divided into two classes, sales to business and sales to employees. Taking the sales to businesses first, if we really give personal attention to a group case, the firm will rely more and more upon us and when there is other insurance to be purchased, we will normally be the ones to whom they will turn.

"There are many examples of group business leading to key-man insurance. And I fully expect that eventually there will be just as many examples of group business leading to pension business.

"When a group plan is being installed, personally take over the work of signing up the salaried employees, the foremen and others who could be considered good prospects. Then in the interviews, and they should really be interviews, there are three objectives: (1), clearly explain the group plan, do not just sign them up; (2), gather all information needed to qualify a prospect for ordinary; and (3), sell yourself. Let the individual see that you know your business, and make him feel that you are one to whom he can turn for information concerning insurance matters. This is a golden opportunity. The management has sanctioned you, you have an interested audience and you have access to the plant."

Observe Constitution Day

For the 13th year American United Life conducted Constitution Day exercises at its home office in Indianapolis. President George A. Bangs outlined the history of the drafting of the constitution and then introduced Herbert M. Woollen, chairman of the executive committee, who presided for the remainder of the hour. Prof. W. Howard Mann of the Indiana University law school delivered the address.

Austin Murgatroyd, 37, method supervisor for Colonial Life, died. He was a graduate of Cornell university.



The Home Office Building
"On The Banks Of The Mississippi"

FIDELITY LIFE ASSOCIATION FULTON, ILLINOIS

Celebrating 50 Years of Fraternity and
Distinguished Life Insurance Service



Don't choose your territory BLINDFOLDED



Choose the part of the country in which YOU prefer to work . . . Modern Woodmen of America has a number of openings in each state for full-time District Managers. It will finance men with the required qualifications and provide an excellent territory. A tested program will help you build your future with a well-established sales organization. First-year commissions and renewals are unusually liberal. If you can produce business personally, supervise a given territory and appoint sub-agents you can easily qualify.

In writing please give full details—education and business experience—and send a recent photograph. An early interview will be arranged.

Write to—Field Department

Modern Woodmen of America

ROCK ISLAND, ILLINOIS

Key Man Education Just Begun; Field Wide Open

The numerous reasons for the use of key man insurance indicate the need for greater education, among agents and prospects, so they will become fully aware of the advantages of this cover and the dangers in failure to protect themselves.



D. B. Fluegelman

David B. Fluegelman, Northwestern Mutual, New York City, told members of the Million Dollar Round Table at French Lick.

Agents and customers are becoming increasingly aware of the concept of replacement of the economic life value of a man, Mr. Fluegelman said. The field of key man insurance has been somewhat vaguer, but many businessmen recognize the value of their key employees even though in general a pressing need for this type of coverage is not felt by all businessmen. This means that the field is still wide open. The agent must get across to his client

that his key man will wear out just as certainly as his plant and equipment depreciate.

In the same manner he finds it not only desirable, but necessary to amortize the depreciation of his tangible assets, he is beginning to recognize the need for amortization of the earning power of the men who make his business a success. This earning power depreciates with age, Mr. Fluegelman said, and is suddenly cut off by death. If the top man in the firm does not find a means of creating a fund to face the loss of a key man, at some future time he will find it necessary to meet this expense out of current income which is frequently difficult and embarrassing. His only alternative is to purchase a policy on the life of the key man which will serve as fire insurance at the man's death and as amortization in the event he reaches an age at which he is no longer economically valuable. What is needed is a process of education whereby business men will be made aware of the fact that success or failure is completely dependent upon whether or not the key men will be able to function.

Although the policy is primarily intended to reimburse the firm for loss of

the services of the key man this type of insurance may also be used as an incentive plan for certain employees whereby retirement fund will be created for them if they survive, Mr. Fluegelman said. He termed this type of insurance the creation of a pension trust that does not qualify. Even though the corporation receives no deduction during the accumulative years, neither does the man pay any tax on the amount accumulated for him and at the termination, the corporation may cash in the policy, receive the money tax free and pay him whatever they had anticipated as a pension. He will receive a deduction on the amount of pension self paid.

Additional Personal Cover

Mr. Fluegelman said that a variation of this type of plan is the use of the key man coverage as a means of providing additional personal insurance for the man. If the corporation paid the amount of premium to its keyman as additional compensation, it would be taxable income to him in year of receipt and he would have only a portion of it left with which to buy his own life insurance. This is particularly pertinent now that personal taxes tend to rise above corporate taxes in many instances. At the man's death, the corporation receives the proceeds of the policy. In accordance with the so-called widow pension plan, the corporation may determine to continue the salary of the keyman to his widow for a reasonable period of time and receives a full deduction on the amount paid to her. Whether or not the insurance proceeds are used for this purpose is of no concern. The fact is that the corporation receives from the insurance company an amount sufficient to enable continuation of his salary without financial sacrifice.

Employes generally overlook another use for keyman insurance in the situation where a sole proprietor executes a buy and sell agreement whereby certain of his employees carry insurance on his life, payable ultimately to his beneficiaries in payment for the business. These employees feel that they have fulfilled their obligation by carrying the insurance and overlook the fact that the sole proprietor is most important key man in his business and it is a necessity to have insurance payable to the newly organized firm in order to replace the loss of its valuable man.

Creates Cash Surplus Account

Mr. Fluegelman said that key man insurance affords a means of creating a cash surplus account in the corporation without fear of the possibility of excessive accumulation of undistributed surplus. This insurance is a hidden asset for the yearly increase in cash values is not subject to income tax and an addition offering the safest type of depository with which the corporation may invest any surplus funds.

This type of insurance is particularly valuable in the floating of stock or bond issues. As an example, Mr. Fluegelman said that if it is intended that certain bonds will be amortized over a period of 20 years, it is desirable procedure to insure the key man in the business by covering him with a 20 year endowment policy. If he lives, the funds will be available to redeem the bonds. If he dies, there will be a fund available for their immediate reduction however his death occurred even if it be shortly after the issuance is a bond. This process will help materially in creating a good market for new issues of securities. If it is not contemplated that any securities be issued, it is still frequently advisable to insure a silent partner in the firm so that the loss of his financial influence will not be detrimental to the organization in the event of his death.

Aid in Obtaining Credit

Keyman insurance is most necessary when it is desired to obtain credit, Mr. Fluegelman said. As a matter of fact, many banks now require insurance coverage of the keyman before extending

Information Group Named by L.I.A.M.A.

A five-man public information committee of Life Insurance Agency Management Assn. has been appointed by Wendell F. Hanselman, president of L. I. A. M. A. and vice-president of Union Central Life. Members are Rolland E. Irish, president Union Mutual Life, chairman; George A. Adair, executive vice-president of Guaranty Life; Charles C. Martin, Great West Life; Feld Rothschild, vice-president Sun Life, and president Prudential.

The committee will cooperate with corresponding committees in other organizations, including Institute of Life Insurance, National Assn. of Life Underwriters, and the Life Advertisers Assn. It also will study the problem of how the agency system can more effectively carry out a sound public relations and sales promotion program.

Over 150 members of the home office staff were guests of a group of agents, general agents and supervisors of the Connecticut Mutual at a dinner-dance in Hartford Monday. This was in appreciation for the home office people's historical show, "Going Places," which was put on last June when Connecticut Mutual celebrated its centennial with 100 leading agents, 10 leading supervisors and general agents as guests. The show was planned and produced by Vice-president Harold N. Chandler and more than 100 members of the home office staff took part.

At the dinner each guest received a souvenir, the ladies getting wallets and the men, lighters. There also was a movie, in color, which was taken on Centennial Day. The check for the entire evening was paid for by the field men.

J. A. Ramsay, Newark, general agent, was toastmaster. Brief remarks also were made by J. L. Loomis, chairman; P. M. Fraser, president; L. J. Fink, leading agent; P. C. Kaul, Omaha, general agent, chairman of the general agents advisory committee, and S. C. Hart, manager agents contracts department, home office, co-chairman of the show.

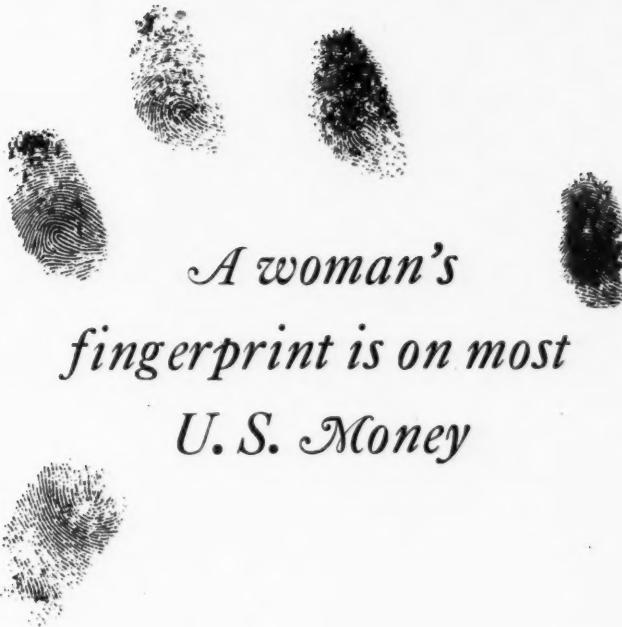
commercial credit. If it is purchased in an amount to cover outstanding bank loans, it will always prevent financial embarrassment at the death of the key man. This coverage is its own line of credit, because the increasing loan and cash values create a fund that becomes increasing valuable each year. In the formation of new businesses it is most important that insurance be placed on its valuable men, otherwise an unexpected death may cause the new firm to fail before it has a chance to get started, Mr. Fluegelman concluded.

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your guest-controlled
air-conditioned rooms

HOTEL
Mennox
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*Listings in This
Actuaries' Column
Bring Results*

Haight, Davis & Haight, Inc.
Consulting Actuaries
FRANK J. HAIGHT, President
Indianapolis—Omaha



DID YOU know that 85 per cent of all the fingerprints on dollar bills are left there by women?* It is not so startling a statistic when we further learn that women spend two-thirds of all the money spent for consumer goods.

The woman of today has money. She has become more intelligent in the management of it. Her need for good Life insurance is apparent.

You can offer the housewife and business woman many fine policies that are adapted to their individual needs. *The Travelers Triple Protection Plan* will especially appeal to women because of its great "bargain" element.

The nearest Travelers office will give you some very interesting information on plans of insurance for women.

*According to the Treasury Department

THE TRAVELERS INSURANCE COMPANY » HARTFORD, CONNECTICUT

The Aetna Life Estate Control Plan Builds Security

Estate Control is no visionary plan. It has been field-tested by the Aetna Life's top producers. With it, they close a larger percentage of prospects. Their average individual sales are more than twice as large. Their business continues to grow with less and less effort . . . as they become professional advisers to an established clientele whose insurance requirements steadily increase, and who act as walking advertisements for their service.

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